

Improving the well-being of the poor  
through microfinance: Evidence from the  
Small Enterprise Foundation in South Africa

Maria Albertina Kirsten

*Dissertation presented for the degree of Doctor of Philosophy in the Faculty  
of Economic and Management Science at the University of Stellenbosch*



Supervisor: Prof. Servaas van der Berg  
Co-supervisor: Prof. Andrie Schoombee  
Faculty of Economic and Management Sciences  
Department of Economics

December 2011

## DECLARATION

By submitting this dissertation electronically, I declare that the entirety of the work contained therein is my own, original work, that I am the sole author thereof (save to the extent explicitly otherwise stated), that reproduction and publication thereof by Stellenbosch University will not infringe any third party rights and that I have not previously in its entirety or in part submitted it for obtaining any qualification.

*Date: 10 August 2011*

## ABSTRACT

Poverty in South Africa's rural areas is complex and severe, especially among female-headed households. The marginalisation of South Africa's rural areas over a period of decades resulted in an acute lack of economic opportunities, limited infrastructure and a serious breakdown of social capital. Women living in rural areas are particularly poor in money-metric terms; they are often illiterate and therefore isolated from economic and social opportunities; and many fall victim to violence in the household. They eke out a meagre existence, based on small-scale agriculture, marginal self-employment or limited wage and remittance income. While such income diversification, combined with the government's range of development interventions, helps to buffer them against risks such as illness, death and disaster, rural poverty is not just a matter of income and assets. It is also rooted in other disadvantages, such as exclusion, disempowerment and unequal power relations. These all contribute to making poverty a multidimensional phenomenon.

The South African government has committed significant resources to poverty intervention over the past 17 years. These interventions, which include social assistance grants, basic municipal services and free water, electricity, schooling and health services, certainly have an impact on the livelihoods of the rural poor, but they do not seem to bring a significant improvement in the standard of living of the most vulnerable people in marginalised areas. There is increasing recognition in the poverty literature that vulnerabilities – of income, health, social exclusion and service delivery – are linked, and that support programmes should focus not only on increasing the poor's access to resources and assets but also on empowering individuals to use these assets and make decisions.

This study investigates the potential of microfinance to address the overlapping vulnerabilities experienced by women in South Africa's rural areas. It suggests that microfinance has the potential to generate positive shifts in selected indicators of empowerment and well-being among participating women in rural areas. These claims are tested by evaluating data gathered among clients of the Small Enterprise Foundation (SEF) against a conceptual framework. The framework offers a stepwise progression away from vulnerability: acquiring internal skills (empowerment), strengthening social capital, accumulating assets and, eventually, transforming these assets into wealth.

Existing datasets, gathered over a period of five years in rural Limpopo and representing both a group that received microfinance from SEF and a control group, were examined. No evidence could be found that the recipients of SEF's microfinance experienced increased empowerment, but the results did provide evidence that belonging to the group that received microfinance increased the likelihood of experiencing livelihood security and well-being. The findings show that microfinance can, even over the short term, make a difference in people's ability to smooth their consumption and, as such, provide them with more secure livelihoods. The research also suggests that microfinance assists women in rural areas in constructing and maintaining a portfolio of assets, thus improving well-being among the recipients of microfinance.

The scope of the study was confined to measuring the effect of microfinance on *selected* poverty indicators, and it did not attempt to prove that microfinance alleviates poverty. As such, the research demonstrates that the government's efforts to reduce rural poverty can be complemented by micro-level interventions such as access to finance.

## OPSOMMING

Armoede in Suid-Afrika se landelike gebiede is kompleks en straf, veral vir huishoudings met vroue aan die hoof. Landelike gebiede is vir dekades lank gemarginaliseer en dit het gelei tot gebrekkige ekonomiese geleenthede, beperkte infrastruktuur en 'n ineenstorting van sosiale kapitaal. Vroue in Suid-Afrika se landelike gebiede is nie net arm in monetêre terme nie, maar ook dikwels ongeletterd, geïsoleerd van ekonomiese en sosiale geleenthede, en dikwels die slagoffers van huishoudelike geweld. Hul huishoudings oorleef deur die skamele bestaan wat hulle maak uit bestaansboerdery, gebrekkige besoldiging en trekarbeider lone. Alhoewel die regering se wydverspreide ontwikkelingshulp daartoe bydra om arm mense te help om risiko's soos siekte, dood en natuurrampe te kan hanteer, gaan landelike armoede oor veel meer as net inkomste en bates, en sluit dit ook ontmagtiging, uitsluiting en ongelyke magverdeling in. Al hierdie ontberinge maak armoede 'n multidimensionele verskynsel.

Die Suid-Afrikaanse regering het oor die afgelope 17 jaar aansienlike bronne op armoede verligting gespandeer. Die hulp, wat maatskaplike toelaes, basiese munisipale dienslewering, gratis water, elektrisiteit, opvoeding en gesondheidsdienste insluit, het sonder twyfel die oorlewing van die armes in landelike gebiede meer houdbaar gemaak, maar tog lyk dit nie of die lewenskwaliteit van die mees kwesbare huishoudings in die gemarginaliseerde areas verbeter het nie. Die armoede-literatuur dui daarop dat verskillende vorms van kwesbaarheid – kwesbaarheid in terme van inkomste, gesondheid, sosiale uitsluiting en dienslewering – met mekaar verband hou. Daarom is dit belangrik dat hulpverlening nie alleen vir die armes toegang gee tot hulpbronne en bates nie, maar ook die individue bemagtig om die bronne te gebruik en besluite te neem.

Hierdie studie ondersoek die potensiaal van mikrofinansiering om die verskeidenheid sosiale kwesbaarhede wat vroue in Suid Afrika se landelike gebiede ervaar aan te spreek. Die studie voer aan dat mikrofinansiering kan lei tot positiewe veranderinge in geselekteerde bemagtigings- en welvaarts-indikatore onder deelnemende vroue. Data wat versamel is onder die kliente van die *Small Enterprise Foundation* (SEF) word gebruik om hierdie aansprake te evalueer. Die studie is gedoen teen die agtergrond van 'n konseptuele model, wat voorhou dat armoede en kwesbaarheid voorkom kan word as 'n trapsgewyse program gevolg word – deur eerstens kundigheid (bemagtiging) te verkry, daarna sosiale kapitaal te versterk, bates op te

bou en uiteindelik die bates in rykdom te omskep beweeg die vroue, en hul huishoudings, al verder weg van hulle aanvanklike kwesbaarheid.

Bestaande data, versamel oor 'n tydperk van vyf jaar in die landelike gebiede van Limpopo is geanaliseer. Die data verteenwoordig twee groepe – 'n groep wat mikrofinansiering ontvang het en 'n kontrole groep. Geen empiriese bewyse kon gevind word dat die vroue wat mikrofinansiering van SEF ontvang het, bemagtig is nie. Die resultate het wel daarop gedui dat vroue wat mikrofinansiering ontvang na alle waarskynlikheid meer bestaans-sekerheid het en dat hulle welvaart verbeter het. Die bevindinge dui daarop dat mikrofinansiering, selfs oor die kort termyn, 'n wesenlike verskil kan maak in die vermoë van kwesbare vroue om hulle verbruik, oor tyd, beter te bestuur en sodoende bestaans-sekureteit te verseker. Die navorsing toon ook dat mikrofinansiering vroue in landelike gebiede kan help om 'n portefeulje van bates te skep en te handhaaf, wat bydra tot groter welvaart.

Hierdie studie het die impak van mikrofinansiering op *geselekteerde* armoede indikatore ge-evalueer, en het nie gepoog om te bewys dat mikrofinansiering armoede verlig nie. Sodoende dui die navorsing daarop dat die regering se pogings om armoede te verlig kan baat vind by mikrovlakintervensies soos mikrofinansiering.

## ACKNOWLEDGEMENTS

Ever since I first attended a solidarity group meeting of the Small Enterprise Foundation (SEF) in Limpopo, back in 1994, I have deeply appreciated the meaningfulness of this initiative. I dedicate this study to the women who come every fortnight and sit, under a tree or in a hot rondavel, to receive a small loan, companionship, moral support and guidance. To them time is money, but they invest this precious resource time and time again to retain the lifeline SEF offers the poorest women in South Africa.

My lifeline to persist and complete this study came from several sources, all of whom I am deeply grateful for:

- My father, Sampie Terreblanche, for installing a sense of fairness and a touch of activism in me.
- My husband, Johann Kirsten, for always assuming that I will, at some stage, get to do the PhD. And when I eventually did, his professional guidance and moral support always kept me on track.
- My employer, the Development Bank of Southern Africa, for financially supporting my studies and allowing me the exposure as a Director of SEF.
- My manager at the DBSA, Michele Ruiters, for giving me much-needed space to focus, and encouraging me to persevere.
- John de Wit, SEF's Managing Director, and Anton Simanowitz, SEF's Research and Development advisor, for responding to my ongoing stream of emails and for giving me access to all the information I needed.
- Paul Pronyk and the RADAR team for sharing the IMAGE data that enabled me to do this analysis.
- My supervisors, Professors Servaas van der Berg and Andrie Schoombee for their expert guidance, trust and encouragement, even during my Stata apprenticeship.
- But more than anyone else, my friend and colleague Janine Thorne for convincing me to start this journey; for supporting me to continue; and for transforming my efforts into perfect English.

## TABLE OF CONTENTS

Declaration.....	ii
Abstract.....	iii
Opsomming.....	v
Acknowledgements.....	vii
List of tables.....	xiii
List of figures.....	xvi
Abbreviations.....	xviii
Chapter 1: Introduction.....	1
1.1 Context.....	1
1.2 Problem statement, research objectives and hypothesis.....	7
1.3 Research methodology.....	9
1.4 Scope and limitations of the study.....	10
1.5 Clarification of concepts.....	11
1.6 Relevance of the study.....	12
1.7 Study outline.....	13
Chapter 2: The multidimensional nature of poverty.....	15
2.1 Introduction.....	15
2.2 Evolution of the concept of poverty.....	15
2.3 Definitions and dimensions of poverty.....	18
2.4 Measuring multidimensional poverty.....	25
2.5 Rural development realities in South Africa.....	28
2.5.1 Causes of South Africa’s rural poverty.....	28
2.5.2 Poverty and gender in South Africa’s rural areas.....	31
2.5.3 Intra-household resource allocations.....	41
2.5.4 South African-based empirical research into multidimensional poverty in rural areas.....	43

2.6 Conclusion .....	45
Chapter 3: The impact of microfinance on poverty .....	47
3.1 Introduction.....	47
3.2 The purpose and scope of microfinance impact studies .....	48
3.3 Microfinance and the empowerment of women .....	52
3.4 The impact of microfinance on indicators of income and economic well-being .....	55
3.5 Conclusion .....	56
Chapter 4: The Small Enterprise Foundation.....	59
4.1 Introduction.....	59
4.2 The creation of the Small Enterprise Foundation .....	59
4.2.1 The political and economic environment at the time of SEF's establishment.....	59
4.2.2 The regulatory environment in the 1990s .....	62
4.2.3 The international microfinance environment in the 1990s .....	63
4.3 SEF's performance, 1992 to 2011 .....	66
4.4 SEF's methodology.....	74
4.4.1 SEF's staircase from vulnerability.....	74
4.4.2 The Participatory Wealth Ranking technique.....	78
4.4.3 Monitoring and evaluation at SEF .....	80
4.5 Financing microfinance .....	87
4.6 Microfinance in South Africa .....	89
4.7 Conclusion .....	91
Chapter 5: Rural poverty alleviation: A conceptual framework.....	93
5.1 Introduction.....	93
5.2 Poverty in context .....	93
5.3 Reconciling livelihood, vulnerability and the theory of women's empowerment.....	97

5.3.1 Livelihood frameworks .....	97
5.3.2 Vulnerability .....	100
5.3.3 Empowerment .....	102
5.4 The dynamic nature of multidimensional poverty .....	104
5.5 Operationalising the framework .....	106
5.6 A conceptual framework for measuring changes in multidimensional poverty .....	109
5.7 Conclusion .....	111
Chapter 6: Survey and research methodology .....	113
6.1 Introduction .....	113
6.2 Research design .....	113
6.3 Sampling/population .....	115
6.3.1 Characteristics of the study area .....	121
6.4 Data .....	123
6.4.1 Outcome measures and methods .....	124
6.5 Strengths and limitations .....	129
6.6 Ethical considerations .....	131
6.7 Conclusion .....	132
Chapter 7: The socio-demographic characteristics of participating households .....	133
7.1 Introduction .....	133
7.2 Village-level information .....	133
7.3 Participatory Wealth Ranking .....	134
7.4 Socio-demographic characteristics .....	137
7.4.1 Household-level data .....	137
7.4.2 Individual-level data .....	141
7.5 Microfinance intervention group .....	142
7.6 Conclusion .....	144

Chapter 8: The effect of microfinance on selected empowerment indicators .....	147
8.1 Introduction.....	147
8.2 Analysis of empowerment indicators.....	148
8.2.1 Indicators of individual empowerment (“power within”).....	148
8.2.2 Regression results for individual empowerment.....	151
8.2.3 Household-level indicators of empowerment (“power to”).....	158
8.2.4 Regression results for empowerment at the household level.....	160
8.2.5 Indicators of empowerment at the community level (“power with”) ...	163
8.2.6 Regression results for community-level empowerment .....	165
8.3 Discussion .....	168
Chapter 9: The effect of microfinance on selected indicators of livelihood and well-being.	171
9.1 Introduction.....	171
9.2 Analysis of indicators of livelihood security .....	172
9.2.1 Research questions and responses regarding livelihood security .....	173
9.2.2 Regression results for livelihood security.....	176
9.3 Analysis of indicators of well-being .....	185
9.3.1 Research questions and responses for indicators of well-being.....	185
9.3.2 Regression results for indicators of well-being .....	191
9.4 Discussion .....	197
Chapter 10: Summary, recommendations and conclusion.....	203
10.1 Introduction.....	203
10.2 Review of findings .....	204
10.3 Policy recommendations.....	211
10.4 Suggestions for future research.....	213
10.5 Conclusion .....	213
References.....	215
Annexure I: Small Enterprise Foundation application form.....	241

Annexure II: Household Details: Follow-up Interview .....	245
Annexure III: Senior Female Interview: Follow-up .....	253
Annexure IV: Household Details: Microfinance Alone Survey Interview.....	271

LIST OF TABLES

Table 2.1: Gini coefficient for per capita income by race and geographical area .....	30
Table 2.2: Individual poverty level by race and gender, 1993 and 2008.....	33
Table 2.3: Individual poverty in rural and urban areas.....	34
Table 2.4: Poverty estimates for South Africa, 1997 to 2006 (per capita) .....	35
Table 2.5: Municipal services and housing, 1996 and 2009.....	38
Table 4.1: SEF performance summary, 1998, 2004 and 2011.....	74
Table 5.1: Indicators of empowerment .....	110
Table 5.2: Indicators of well-being.....	110
Table 6.1: Statistics on the control and microfinance intervention groups.....	117
Table 6.2: Intervention and control villages .....	121
Table 6.3: Population indicators, Sekhukhuneland study site .....	122
Table 6.4: Independent variables .....	125
Table 6.5: Dependent variables for testing empowerment .....	127
Table 6.6: Dependent variables for testing livelihood security and well-being .....	128
Table 7.1: Village-level information for the control and microfinance intervention groups.....	134
Table 7.2: Participatory Wealth Ranking.....	134
Table 7.3: Demographics, employment status and access to grants .....	138
Table 7.4: Access to services and condition of dwelling structure.....	140
Table 7.5: Socio-demographic characteristics of individual participants.....	141
Table 7.6: Loan uptake and performance indicators (mfi group) .....	142
Table 7.7: Type of business of the mfi group .....	144
Table 8.1: Empowerment at the individual level (“power within”).....	149
Table 8.2: Dependent and independent variables measuring <i>individual-level</i> <i>empowerment</i> .....	151
Table 8.3: Probit results for self-confidence.....	153

Table 8.4: Predicting confidence in both groups, if self-employed.....	153
Table 8.5: Probit results for financial confidence.....	154
Table 8.6: Probability of being better off if in receipt of government grants, per group .....	156
Table 8.7: Probability of objecting to household chores if employed, by group.....	158
Table 8.8: Empowerment at the household level (“power to”) .....	159
Table 8.9: Dependent and independent variables measuring <i>household-level empowerment</i> .....	160
Table 8.10: Probit results for intra-household decision-making.....	161
Table 8.11: Probit results for financial and work contribution.....	162
Table 8.12: Probability of being appreciated if member of a social group, by group .....	163
Table 8.13: Empowerment at the community level (“power with”).....	164
Table 8.14: Dependent and independent variables measuring <i>community-level empowerment</i> .....	165
Table 8.15: Probits for social network membership .....	166
Table 8.16: Predicted probability of burial society membership by age .....	166
Table 8.17: Mean PWR score over membership of social networks.....	167
Table 9.1: Indicators of livelihood security .....	173
Table 9.2: Dependent and independent variables measuring food security.....	176
Table 9.3: Probit results for food security .....	177
Table 9.4: Dependent and independent variables measuring basic needs security.....	179
Table 9.5: Probits for basic needs security .....	180
Table 9.6: Average predicted probability of buying new clothes (one of the basic needs variables).....	181
Table 9.7: Access to water on plot over PWR score.....	182
Table 9.8: Probit for full service access.....	183
Table 9.9: Indicators of economic well-being .....	186
Table 9.10: Household expenditure on housing improvements during past year (mfi group).....	190

Table 9.11: Dependent and independent variables measuring well-being .....	191
Table 9.12: Probits for wealth perceptions .....	192
Table 9.13: Probability of positive perception of well-being if household receives old age grant, by group .....	193
Table 9.14: Probits for bank account .....	194
Table 9.15: Probability of having a bank account if head of household, by group .....	195
Table 9.16: Control and mfi group debt.....	195
Table 9.17: Land ownership and PWR score.....	196
Table 9.18: Probit for owning more than four cows.....	197

## LIST OF FIGURES

Figure 4.1: SEF’s number of clients and percentage annual growth in clients, 1994 to 2011	68
Figure 4.2: SEF’s total number of loans and average loan size disbursed, 1993 to 2010	69
Figure 4.3: SEF’s operational and financial self-sufficiency, 1997 to 2011	71
Figure 4.4: Map of SEF’s provincial outreach	72
Figure 4.5: Total savings held by SEF clients, 1998 to 2011 (R million) and savings per client, 2003 to 2011 (R)	73
Figure 4.6: A visual illustration of SEF’s methodology	75
Figure 4.6: Impact figures showing average “food score” over eight loan cycles	81
Figure 4.7: Impact figures showing average “business value” over eight loan cycles	82
Figure 4.8: Client exit rates, December 2008 to June 2011, and exit rates for the poorest clients	85
Figure 4.9: SEF’s portfolio at risk (PAR > 30 days), 2007 to 2011 (%)	86
Figure 5.1: The external environment	94
Figure 5.2: Sustainable livelihoods framework	99
Figure 5.3: Multidimensional poverty for individual $i$	107
Figure 5.4: Poverty of individual $i$ in four domains	108
Figure 6.1: Profile of households identified for IMAGE participation	119
Figure 6.2: Recruitment and follow-up of the control and mfi groups	120
Figure 7.1: Mean PWR scores for the control and intervention groups at recruitment	135
Figure 7.2: Mean PWR scores for the control and intervention groups reflecting only scores $\geq 75$	136
Figure 8.1: Likelihood of being better off now than two years ago, both groups	156
Figure 8.2: Likelihood of being better off now than two years ago if receiving a child support grant	157
Figure 9.1: Access to full municipal services by level of education completed	183

Figure 9.2: Mean membership of both a burial society and a stokvel, by employment status.....	184
Figure 9.3: Kernel distribution showing amount spent on housing improvements during past year, between R200 and R55 000 .....	189
Figure 9.4: Amount spent on renovating or improving housing during past year, by level of education (R, mean) .....	190
Figure 9.5: Amount spent on renovating or improving housing during past year, by type of employment (R, mean) .....	191

## ABBREVIATIONS

ANOVA	analysis of variance
AsgiSA	Accelerated and Shared Growth Initiative for South Africa
BRAC	Bangladesh Rural Advancement Committee
BRI	Bank Rakyat Indonesia
CGAP	Consultative Group to Assist the Poor
DECSI	Dedebet Credit and Savings Institution
DFID	Department for International Development
FSD	Financial Systems and Development
GHS	General Household Survey
HDI	human development index
HIV/AIDS	human immunovirus/acquired immune deficiency syndrome
HPI	human poverty index
HSL	household subsistence level
IFAD	International Fund for Agricultural Development
IMAGE	Intervention with Microfinance for AIDS and Gender Equity
KIDS	KwaZulu-Natal Income Dynamics Survey
M-CRIL	Micro-Credit Ratings International Limited
MDG	Millennium Development Goal
mfi	microfinance intervention (group)
MFI	microfinance institution
MFRC	Micro Finance Regulatory Council
mfx	marginal fixed effects
MPI	multidimensional poverty index
Nedlac	National Economic Development and Labour Council
NIDS	National Income Dynamics Study
OECD	Organisation for Economic Co-operation and Development
OHS	October Household Survey
PAR	portfolio at risk
PPI	progress out of poverty index
PSLSD	Project for Statistics on Living Standards and Development
PWR	Participatory Wealth Ranking
RADAR	Rural AIDS and Development Action Research Programme

RCT	randomised controlled trials
ROSCA	rotating savings and credit associations
SALDRU	South African Labour and Development Research Unit
SA-PPA	South African Participatory Poverty Assessment
SAMAF	South African Micro-Finance Apex Fund
SASAS	South African Social Attitudes Survey
SEF	Small Enterprise Foundation
SEWA	Self-Employed Women's Association
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
VMP	vulnerability to multidimensional poverty
WDB	Women's Development Business



## CHAPTER 1: INTRODUCTION

### 1.1 CONTEXT

Rural poverty in South Africa is complex and severe. The causes of the country's particular configuration of rural poverty lie in colonialism and apartheid, and international best practice policy solutions are not always appropriate in this context. While the government has devised several anti-poverty strategies and spent significant resources over the past 17 years to address poverty, it seems to focus on the visible symptoms rather than the causes of poverty. Aliber (2003:473) made this very clear: "there remain significant gaps in our knowledge about the incidence and causes of poverty and even greater gaps in our knowledge of what practical measures work".

The scope and depth of poverty in South Africa receive prominence not only in government statements<sup>1</sup> but also internationally, with the poverty challenges in South and sub-Saharan Africa featuring on the global agenda. The overlapping vulnerabilities of poverty expressed by the government – vulnerabilities of health, livelihoods, social exclusion, gender discrimination and service delivery – are similarly articulated in the United Nations' Millennium Development Goals (MDGs). According to recent MDG reports (United Nations 2008 & 2010), sub-Saharan Africa, where over 70% of the world's poorest billion live, is at serious risk of failing to meet many of the 2015 targets. It is one of only three regions where gender inequality and poverty targets will not be met by 2015.<sup>2</sup>

In South Africa's rural areas, the government battles against poverty in areas that are geographically isolated and have for decades been marginalised from any growth opportunities. The National Planning Commission's *Diagnostic Report* (2011:9) states: "poverty tends to be concentrated in rural areas and especially former Bantustans."

---

<sup>1</sup> During his Presidential inauguration address on 9 May 2009, President Zuma said: "[F]or as long as there are South Africans who die from preventable disease; for as long as there are workers who struggle to feed their families and who battle to find work; for as long as there are communities without clean water, decent shelter or proper sanitation; for as long as there are rural dwellers unable to make a decent living from the land on which they live; for as long as there are women who are subjected to discrimination, exploitation or abuse; for as long as there are children who do not have the means nor the opportunity to receive a decent education; we shall not rest, and we dare not falter, in our drive to eradicate poverty" (Zuma 2009:2).

<sup>2</sup> According to the 2008 MDG report for Africa, "Despite strong economic growth, an overall improvement in the policy environment, and many success stories, particularly in the area of primary education, the continent as a whole is lagging behind on each of the relevant goals" (United Nations 2008:7).

The dimensions of the poverty challenge in South Africa are often expressed in money-metric or income-based terms, by indicating, for instance, the percentage of people who experience *income* poverty. Using Statistics South Africa's (Stats SA 2008) "lower bound" poverty line of R322 per capita per month in 2000 prices, almost half (47.1%) of the population is poor. The "lower bound" poverty line makes provision only for essential food and non-food consumption. The "upper bound" poverty line of R593 includes over two-thirds (67.6%) of South Africans, and provides an additional R271 for expenditure on non-essential non-food items (Stats SA 2008). Leibbrandt et al. (2010b:36) use a poverty line of R515 per month (expressed in constant 2008 values) to show a slight decline in poverty between 1993 and 2008, from 56% to 54%.

Rural areas are relatively worse off. Woolard & Leibbrandt (2001:59) report that the 2001 poverty rate in rural areas, at a poverty line of R3 509 per adult equivalent per year, "is 63%, compared with 22% in urban areas". Using the R515 per capita per month measure, Leibbrandt et al. (2010b) report that 57% of the poor lived in rural areas in 2008. Several other studies (Roberts 2001; May 2010; Posel & Rogan 2012:4) confirm this. Data from the 2009 National Income Dynamics Study (NIDS) shows that tribal areas are the poorest, with 89.7% of all residents surviving on less than R924 per month (Argent et al. 2009:5).

Poverty affects women more than men. Using the Stats SA poverty line of R322 per capita per month (2000 prices), Posel and Rogan (2012:9) calculate that women are more likely than men (59.6% versus 52.3%) to live in households where the per capita monthly household income lies below this lower poverty line. They also indicate that gender differences in poverty widened between 1997 and 2006 and that, in 2006, almost 50% of female-headed households reported no household member with employment, as did only 24% of male-headed households. Bhorat et al. (2009:9) summarised this situation by stating: "individuals living in female-headed households in South Africa remain the most vulnerable in society".

All the measures used above are, in one way or another, based on income: they use poverty rates, poverty lines or the poverty headcount as yardsticks, all of which are based solely on measures of income or expenditure. But the poverty problem is multidimensional in nature and several different indicators should be used to give a fair and balanced picture of the nature and extent of poverty in the country (see Chapter 2, section 2.5). While the government uses such indicators or "poverty dipsticks" regularly to report on progress (see,

for instance, RSA 2008 & 2010), these measures do not adequately represent the range of vulnerabilities experienced by the poor in South Africa's rural areas. As Rojas (2008:1084) puts it: "income does not fully capture a person's well-being situation".

This study looks at the multidimensional suffering of the rural poor. It is specifically interested in the very poor, variably defined as chronically poor,<sup>3</sup> structurally poor – people who lack the minimum sufficient combination of assets to better their circumstances (Carter & May 2001), ultra poor (May et al. 2000) – or destitute. This group is victim to a series of economic and political circumstances (see Chapter 2, section 2.5.1). The marginalisation of South Africa's rural areas over a period of many years resulted in a severe lack of economic opportunities, limited infrastructure and amenities, and a serious breakdown of social capital, especially in the former homeland areas. Furthermore, unlike in most countries in Africa, poverty is more severe in rural areas than in urban areas, and females, African and women-headed households are most likely to be very poor (Roberts 2001; Leibbrandt et al. 2010a; Posel & Rogan 2012).

As in other developing countries, South Africa's poor households generally have more members, many of whom are not working; they are less educated; they own fewer assets; and they have less access to running water and electricity (see, for instance, Woolard & Leibbrandt 2001; Van der Berg et al. 2005; Klasen & Woolard 2009; Leibbrandt et al. 2010b; Posel & Rogan 2012). However, in contrast to other developing countries, rural unemployment rates, particularly in the former homelands, are "far higher than anywhere in the developing world" (Klasen & Woolard 2009:1). In 2004, the broad unemployment rate in rural areas was 50.3%, as against an urban rate of 36.1%. Furthermore, the fact that 38% of all unemployed persons live in households without any connection to the labour market, the majority of which are in rural areas, compel Klasen and Woolard (2009:16) to ask: "How do the unemployed survive in households without labour market connections?" These households rely primarily on social assistance grants.<sup>4</sup>

---

<sup>3</sup> Chronic poverty is often defined as poverty that is intergenerational, that is, inherited or transmitted from one generation to the next (Aliber 2003:476). While intergenerational poverty is certainly one of the main causes of chronic poverty in South Africa, the deliberate marginalisation of the rural areas over many decades contributed significantly to the country's unique brand of poverty.

<sup>4</sup> Social assistance grants (mainly child support, disability and the old age grants) are, according to Leibbrandt et al. (2010b:11), increasingly important in the composition of household income, especially for low-income households. Although the impact of the grants on the incidence of poverty remains negligible, they do serve to reduce the poverty gap among the poorest households. Leibbrandt et al. find that "two-thirds of income to the

The majority of poor rural households in South Africa eke out a meagre existence, based on small-scale agriculture, marginal self-employment or minor wage income (see, for instance, Woolard & Leibbrandt 2001; Klasen & Woolard 2009). This is confirmed by a recent study by Alemu,<sup>5</sup> who classifies rural households according to their main sources of income. He finds that a staggering 56% of rural households in South Africa are dependent on “non-labour” income as their main source of income. This consists of social grants (29%), (private) pensions (12%) and remittances (15%). For a further 28% of rural households, “only non-farm” incomes represent their main income, while 16% derive their main income from “farm and non-farm” sources (Alemu 2011:15).

While some households rely primarily on one type of livelihood, a recent report of the International Fund for Agricultural Development (IFAD) provides evidence that poor rural households more often have diverse income sources. It shows that “diversification is often the key aspect of households’ strategies to reduce and manage risk of failure in any one single income source” (IFAD 2011:58). While income diversification, as well as asset ownership,<sup>6</sup> helps to buffer the poor against risks, such as illnesses,<sup>7</sup> natural disasters, failed crops and reduced remittances, rural poverty is not just a matter of assets and income. It is also rooted in other disadvantages, such as exclusion, disempowerment and unequal power relations. These all contribute to making poverty a multidimensional phenomenon. In some parts of Latin America and Asia, rural poverty can be defined *primarily* in terms of such non-income deprivations (IFAD 2011).

---

bottom quintile now comes from social assistance, mainly child support grants” (2010b:11). See also Van der Berg et al. (2009) and McEwen and Woolard (2010).

<sup>5</sup> Alemu analyses data from Stats SA’s 2009 General Household Survey (GHS) to establish the main source of income of rural households. He identifies four sources: “non-labour”, “only farm”, “farm and non-farm” and “only non-farm”. The “non-labour” income group are households that rely on remittances, pensions and social assistance grants; the “only farm” group comprises households that derive income only from farming. The “farm and non-farm” group derives income from a mix of farm and non-farm activities, and the “only non-farm” group only from non-farm activities. The GHS covered 25 302 households, 9 780 of which came from rural areas. In Alemu’s study, data from 8 967 rural households is analysed.

<sup>6</sup> The IFAD rural development report identifies five sets of household characteristics most likely to be associated with rural poverty: (1) Demographics (the number of household members, the dependency ratio and sex of the head of the household); (2) Agricultural assets: land and livestock (either area in hectares or value); (3) Education of the head of the household; (4) Income sources/occupation and transfers; and (5) Income/occupation diversity: number of income sources (IFAD 2011). A study by Woolard and Klasen (2005) found that possession of more physical assets (including land, livestock and other assets) facilitates moving out of poverty. In contrast, large households, female-headed households, low initial employment, poor initial asset endowment and low education are factors associated with falling into poverty in South Africa’s rural areas.

<sup>7</sup> As far as health is concerned, HIV/AIDS represents a devastating shock, and Booysen (2003) reports that it deepens and lengthens poverty spells. He uses panel data from the Free State and compares the mobility of AIDS-affected households with that of non-affected households. He finds that affected households are more likely to fall into and remain in chronic poverty.

The poverty experience in South Africa's rural areas is clearly complex and requires a variety of government interventions. Over the past 17 years, the South African government has committed significant resources to poverty interventions. The question remains whether these interventions accurately address the causes of poverty or the vulnerabilities that result from it. Also, is the government's response geared to resolving the multiple dimensions of the rural poverty problem?

The state-funded interventions are wide-ranging and financially significant, with over 15 million individuals (27% of the population) receiving monthly social assistance grants in 2011, the majority of whom are children (RSA 2011). In 2003, Aliber stated that, "apart from the system of social grants and other safety-net measures, the post-apartheid government has introduced a bewildering array of anti-poverty initiatives, programs, and projects" (2003:483).<sup>8</sup> This is a fair comment. Apart from the large social assistance programme, the post-1994 government has instituted a range of other interventions to improve the welfare of households. These include the significant and visible progress in delivering economic infrastructure services to households, even in isolated rural areas. Affordable access to municipal services is an important component of well-being in rural South Africa, particularly access to piped water, sanitation and electricity. Data for the period 1993 to 2008 indicates sizeable increases in the delivery of all these public assets at a household level. By 2009, 83.2% of all households had access to electricity for lighting, up from 58% in 1996, and 89.3% had access to piped or tap water (on or off site), up by more than 10 percentage points from 79.8% in 1996 (DBSA 2011). In parallel to the rollout of these services, the government also delivered a package of free basic services to poor households, including free water, electricity, sanitation and refuse removal.<sup>9</sup> The government's series of anti-poverty

---

<sup>8</sup> At that stage, in 2003, he was referring to the Reconstruction and Development Programme, the presidential lead projects, what was then called the Community-Based Public Works Programme, the Integrated Sustainable Rural Development Programme and the Urban Renewal Programme. Since then, the government added the Expanded Public Works Programme in September 2004 and the Accelerated and Shared Growth Initiative for South Africa (AsgiSA) in February 2006. These programmes aimed to halve poverty and unemployment from their 2004 levels by growing the economy at an average rate of 6% per year from 2010 to 2014. More recently, in 2008, the Presidency's Policy Coordination and Advisory Services announced a comprehensive anti-poverty strategy and, in October 2010, the government's New Growth Path was revealed.

<sup>9</sup> The free basic services package is supposed to include (in 2011) 6 kilolitres of water per household per month and 50 kWh of electricity per household per month, free basic sanitation and free refuse removal. Households with an income below R1 500 per month are supposed to be eligible for the free package; they are required to complete an application for their status as an indigent household to be assessed (Van der Westhuizen & Borat 2012). In practice, though, both the levels and benefits provided in the package and the levels at which households qualify for free basic services in different municipal areas are not consistent. Some municipalities include the poor and sometimes the less poor, while other municipalities are unable to deliver this package effectively even to the poorest.

programmes goes beyond social grants and the provision of infrastructure services to include measures such as free schooling, free health services and free municipal services. Together with the social assistance grants, these contributions, also called the social wage, account for about a quarter of government spending (NPC 2011:9).

However, the “successful” anti-poverty programmes – the delivery of basic services and the rollout of social assistance grants<sup>10</sup> – are not always sufficiently integrated with other processes to have a sustainable impact on the well-being of the rural poor or to complement their livelihoods. While the “anti-poverty” interventions appear to consider different dimensions of poverty, their collective effect does not seem to influence the incidence and depth of some of the dimensions of poverty in the rural areas. Also, the programmes do not necessarily reinforce or complement one another. Calvo (2008:1013) indicates that different dimensions of poverty or well-being can be dependent on one another, and it could be said that one intervention can catalyse other abilities in individuals. The World Bank-sponsored *Moving out of poverty* study shows that it is very difficult to target the poor effectively because they represent such a disparate and fluid group. The report argues that development programmes following a “centralized logic based on some preconceived notions, rather than on any close examination of local conditions, are least likely to be successful. Better-targeted NGO [non-governmental organisation] and government schemes based on understanding local reasons for escape and descent are more likely to succeed in alleviating and reducing poverty” (Narayan et al. 2007:186). They argue that it is better to consider the unique characteristics of a particular group in order to understand their livelihood options, identify the multiple dimensions of poverty they face and target appropriate support. In the South African context, if such a focus were put on poor women living in rural areas, what would their livelihood options look like? What would be the appropriate interventions to support

---

<sup>10</sup> The social assistance grants are part of the government’s “safety net” and serve mainly those outside the labour force: the young, the old and the sick. The social assistance grants are all means tested. The child support grant test considers the income of the primary caregiver plus that of his or her spouse. Since October 2010 this total income had to be less than ten times the value of the grant to qualify for eligibility. This value will automatically increase as the grant amount rises (Leibbrandt et al. 2010:55). The old age grant is also subject to a means test, based on the income and assets of the applicant and his or her spouse (if married). The social grants do not provide financial support to unemployed adults. The grants affect livelihoods but do not contribute to solving the underlying causes (limited economic opportunities, low (adult) skill levels and the limited availability of social and economic services). They also do not address the manifestations of this vulnerability, such as violence, crime, limited assets or hopelessness. On the upside, Moser (2006:4) indicates that a social security grant does provide protection, and it “creates an environment within which people can accumulate assets”. In South Africa, social grants are mostly constructed in terms of money, and there is evidence that the social assistance budget influences income poverty and that the grants are targeted correctly. Leibbrandt et al. (2010b) estimate that the poorest income decile received 73% of all government grants in 2008, up from 15% in 1993. See also Van der Berg et al. (2007).

them? There is little doubt that African women living in South Africa's rural areas are the most deprived demographic group in the country. Despite almost two decades of redistributive policies, the chronic nature of their suffering remains unacceptable.

## 1.2 PROBLEM STATEMENT, RESEARCH OBJECTIVES AND HYPOTHESIS

South Africa faces a stark reality of persistently high levels of poverty and vulnerability among women in rural areas, coupled with the seemingly inability of the government, despite its wide-ranging poverty assistance, to deal with the multidimensionality of the poverty problem. In view of this reality, are there any other interventions that can deal with the multidimensionality of poverty? Is this multidimensionality sufficiently understood by the government for it to shape and implement interventions that will have an impact on poverty?

There is increasing recognition that vulnerabilities – vulnerability of income, health, social exclusion and service delivery – are linked: “empowering individuals requires strengthening access to resources *and* building individual agency to use those resources, make decisions and take leadership” (Pronyk et al. 2005:8). One intervention that does seem to address this combination of vulnerabilities, at a household level, is microfinance. The pathways by which microfinance reduces vulnerability relate, according to Zaman (1999:1), to its ability to “strengthen crisis-coping mechanisms, diversify income-earning sources, build assets and improve the status of women”. International evidence shows that women who experience overlapping vulnerabilities are reporting small but significant improvements in selected poverty dimensions after being part of microfinance programmes. Recent microfinance impact evaluations<sup>11</sup> present mixed results but do report that microfinance recipients experience significantly fewer vulnerabilities than do those in the control groups. Several impact studies point to income and consumption gains among the intervention or treatment group. This happens, according to Grameen's Muhammad Yunus, when the age-old vicious circle of “low income, low saving & low investment”, is turned into a virtuous circle of “low income, injection of credit, investment, more income, more savings, more investment, more income” (Yunus 2005:1). The assumption, says Yunus, is that if poor people are given access

---

<sup>11</sup>A new generation of microfinance impact studies, based on rigorous randomised control trials, has become available since 2005; these studies are discussed in Chapter 3.

to credit, they will be able to identify and engage in viable income-generating activities,<sup>12</sup> such as simple processing (e.g. paddy husking), manufacturing (e.g. pottery, weaving and garment sewing) or storage, marketing or transport services. As a result, they “have raised their status, lessened their dependency on their husbands and improved their homes and the nutritional standards of their children” (Yunus 2005:1). According to a report of the Microfinance Information Exchange (MIX 2009a), many of the women belonging to South Africa’s largest Grameen-type microfinance organisation, the Small Enterprise Foundation (SEF), are reporting similar gains.

Against this backdrop, the objectives of this study are:

- To establish the scope and nature of multidimensional poverty in rural South Africa.
- To determine indicators of gender empowerment, on an individual, household and community level in the rural South African context.
- To determine indicators of livelihood security and economic well-being in the rural South African context.
- To evaluate the impact that access to microfinance, as a poverty intervention programme, has on empowerment indicators (as adopted above).
- To evaluate the impact that access to microfinance, as a poverty intervention programme, has on the indicators of livelihood security and well-being (as adopted above).
- To indicate how the results of the study can guide SEF and other South African microfinance institutions (MFIs) in improving their products and services.

This study, therefore, suggests that the multidimensional nature of poverty in rural South Africa needs to be well understood in order to determine the correct intervention programmes. The study also proposes that microfinance, delivered according to a particular methodology in the rural South African context, has the potential to generate positive shifts in selected indicators of empowerment and well-being among participating women. This study will analyse the multiple dimensions of poverty (e.g. income poverty, weak social networks

---

<sup>12</sup> Part 2 of the *Moving out of poverty* series found that poor people do not resign themselves to poverty: they repeatedly take different initiatives to improve their situation. Feeling confident and empowered is, according to the study, both a reason for and a consequence of moving out of poverty (Narayan 2009).

and a lack of voice) and examine the relationship between these dimensions and access to microfinance in a rural context, focusing on women.

Against this background, this study hypothesises that women who receive microfinance from SEF over a two-year period are more likely to:

- Experience empowerment at an individual, household and community level.
- Experience increased livelihood security and improved well-being.

### 1.3 RESEARCH METHODOLOGY

The study aims, first, to understand the multidimensionality of poverty and review the multiple ways in which poverty and the vulnerability to such poverty are manifested. It also reviews the multiple dimensions of poverty experienced by poor rural women in South Africa, to inform the conceptual framework. The study then uses the conceptual framework to measure how access to microfinance can potentially influence the selected dimensions of poverty. To evaluate the links between participation in a microfinance programme and changes in poverty indicators, data from SEF is analysed.

SEF is a non-governmental organisation operating as an MFI. While SEF's head office is in Tzaneen, Limpopo, its operations extend into the rural areas of Mpumalanga, the North West and, since 2007, also the Eastern Cape. SEF uses a range of products and services to assist poor women in escaping from poverty. Every product and service, as well as the way in which these are delivered (methodology), is designed to address a particular vulnerability or weakness experienced by poor women. Step by step, this builds the ability of the poor person to move further away from the poverty experience. SEF's enabling pathway out of poverty is delivered in a manner that aims to encourage, empower and build resilience. It consists of a series of products and services, each one reinforcing the other. SEF's outreach to poor and vulnerable women is well documented (see, for instance, Simanowitz 2000; RADAR 2002c & 2002d; Hargreaves et al. 2004; Pronyk et al. 2007b, 2008a & 2008b; Kim et al. 2007; Kolbe 2009), among others in *The Lancet* (Pronyk et al. 2007a).

The data used in this study was gathered between June 2001 and February 2006 in the rural areas of the Limpopo province, as part of the bigger IMAGE<sup>13</sup> study. The IMAGE study used a cluster-randomised approach, meaning that villages with similar characteristics but no previous exposure to such an intervention were selected, at random, to participate in the initiative. The data was gathered from two groups of women. The one group received microfinance from SEF (the microfinance intervention or mfi group), over a period of at least one year, while the other group (the control group) did not receive any microfinance. The data will be analysed using Stata version 11 and the hypothesis tested using regression analysis. The main aim is to determine whether there are any causal links between the microfinance intervention (i.e. the products and services delivered by SEF) and changes in selected indicators of empowerment and economic well-being.

#### 1.4 SCOPE AND LIMITATIONS OF THE STUDY

The focus of this study is on the multidimensional poverty experience of women in South Africa's rural areas, and it looks at the impact of a potential intervention, microfinance, on this type of poverty. Given the numerous interpretations of poverty alleviation and the large number of microfinance initiatives worldwide, it is useful to delineate the scope of the study. There are three important exclusions to the scope of this research.

First, the study will not attempt to prove the impact of microfinance on poverty alleviation, since it is almost impossible to demonstrate causality and attribution. According to Simanowitz (2010), it is very difficult to prove that microfinance positively affects the poor, especially in the South African context where many clients are also welfare recipients. According to him, it is best to "track progress rather than prove it" (Simanowitz 2010:7). Although the emphasis of this study is on trying to establish how microfinance, delivered according to a particular methodology, contributes to improvements in selected livelihood indicators, it is dangerous simply to attribute "reduced poverty" to microfinance. Much care is taken throughout the study to clarify associations and prevent unproven claims of attribution.

Second, this study will not address the large and growing debate around the financial sustainability of MFIs, since the research is not about the cost of alleviating rural poverty but

---

<sup>13</sup> IMAGE stands for Intervention with Microfinance for AIDS and Gender Equity.

about new methodologies to do so. Much of the literature related to microfinance addresses precisely this so-called microfinance schism. This study acknowledges that cost remains an essential component of the eventual success of an MFI. Consequently, it will occasionally reflect on the trade-off between sustainability and poverty, and specifically refer to the delicate balance that SEF needs to maintain between social and commercial objectives.

Third, this research will not review the history and status of the microfinance debate internationally but will attend to the poverty discourse. This route is preferred since the history of microfinance does not contribute to responding to the hypothesis, while a thorough understanding of the causes and manifestations of poverty does.

While these are all valuable angles to microfinance, and certainly serve to inform policy-makers, the household-level impact of participation in microfinance is under-researched in South Africa. The empirical part of the study directs attention solely to clarifying the relationship between the multitude of vulnerabilities suffered by poor rural women and how, in a rural context in South Africa, access to a microfinance programme affects these selected dimensions of poverty.

## 1.5 CLARIFICATION OF CONCEPTS

*Microfinance versus microcredit:* Armendariz and Morduch (2007:14) are of the opinion that, while the words microfinance and microcredit are “often used interchangeably, they have different resonances and are loosely attached to contrasting beliefs about the state of rural finance and the nature of poverty”. Collins et al. (2009) indicate that Grameen initially started with “microcredit”, when they focused on getting loans to the very poor. But “microfinance” became fashionable when it was recognised that households can benefit from access to more financial services, including savings. The broader term “microfinance” now includes not only loans but also efforts to collect savings and provide micro-insurance. However, the Microcredit Summit uses the term microcredit in a wider context, and defines it as inclusive of loans, savings and other financial services (Simanowitz 2000:3).

*Solidarity group methodology:* The group lending approach works on the principle of social collateral or joint liability, and the group takes over the underwriting, monitoring and enforcement of the loan contract from the financial institution.

## 1.6 RELEVANCE OF THE STUDY

In view of the multidimensionality of South Africa's rural poverty experience and the limited ability of the government to address the vulnerabilities it creates, the government needs to find ways to direct appropriate assistance to these vulnerable households. Stated differently, is there any methodology to convert (fiscal) resources into changes in social outcomes, to use the words of Van der Berg et al. (2007:10)? There is no single "correct" approach or methodology to guarantee that resources directed at poverty alleviation will promote the well-being of the poor. Since individual well-being (or the lack of it) manifests itself in multiple dimensions, there is potentially a need for combining different poverty alleviation methodologies in the war against poverty, provided that the advice of Rojas (2008:1089) is followed: "it is of importance to reduce income poverty in a way that at least does not distress experienced poverty".<sup>14</sup>

Drawing on SEF's experience, this research will demonstrate how the government's efforts to reduce rural poverty can be complemented through micro-level interventions. However, it is imperative to understand that the potential pathways out of poverty, as provided by SEF, can only assist at the micro or household level. Macro-level causes of poverty, which include geographical marginalisation, limited access to economic infrastructure and low quality social services (health services and schools), remain the responsibility of the government. Nevertheless, by combining SEFs custom-made microfinance approach with the best of the state's anti-poverty programmes, the combined effect could "fill the gaps in our knowledge of what practical measures work" (Aliber 2003:473) and expand the government's policy options for poverty alleviation.

Since the causes and manifestations of rural poverty in South Africa are many, the solutions cannot be one-dimensional or "one size fits all". This research adds value to the South African poverty debate by demonstrating, using the SEF experience, that selected dimensions of the lives of poor and vulnerable women in rural areas can be improved through microfinance. As such, the research should inform policy decisions. Given the large number of households living in abject poverty in South Africa's rural areas and the limited ability of the market to create more employment opportunities, it is crucial for the correct choices to

---

<sup>14</sup> Rojas (2008:1078) defines "experienced poverty" as "low life satisfaction", as opposed to income poverty, which refers to a person who lives "beneath a pre-determined income line".

inform the spending of limited (developmental) resources. Scarce subsidies need to be allocated where a real difference is possible, and evidence from the field can assist in informing such allocation decisions.

## 1.7 STUDY OUTLINE

The dissertation consists of ten chapters. Following Chapter 1, the introduction, the second chapter serves to place this study into context by reviewing the existing literature on multidimensional poverty and reflecting on South Africa's current poverty realities. The chapter starts with an overview of the history, causes and definitions of poverty, first internationally and then locally. The analysis of poverty in South Africa focuses on the current manifestation of rural poverty but provides a context by describing the history of and reasons for South Africa's unique configuration of rural poverty. The rural poverty experience is analysed, using the latest available data on the incidence and manifestation of rural poverty, especially among poor women.

Chapter 3 presents the rationale for microfinance impact studies and reviews several such studies conducted over the past decade. The extensive empirical literature on the impact of microfinance on the poor contains both positive and negative results, and the chapter shows the importance of the specific evaluation methodology to the outcome of the impact study. Chapter 4 describes the history, performance and financing of the Small Enterprise Foundation (SEF), an MFI operating from the Limpopo province.

In Chapter 5, the evidence from the literature review is used to develop a conceptual framework to guide the analysis of the data. The framework is based on the theory of multidimensional poverty, the livelihoods approach to poverty alleviation and lessons from international evidence-based research and empowerment theory. Chapter 6 is the methodology chapter. This chapter describes the research setting, the instruments and the origin and nature of the data to be analysed. Chapter 7 presents a descriptive analysis of the socio-demographic characteristics of the two research groups, while Chapters 8 and 9 focus on evaluating the link(s) between participation in a microfinance programme and observed changes in selected indicators of empowerment, livelihood security and well-being of the participants. Chapter 10 reviews the findings of the study and offers recommendations. The chapter also outlines areas for further research.



## CHAPTER 2: THE MULTIDIMENSIONAL NATURE OF POVERTY

*“Policy debates have indeed been distorted by overemphasis on income poverty and income inequality, to the neglect of deprivation that relates to other variables, such as unemployment, ill health, lack of education, and social exclusion” (Sen 1999).*

### 2.1 INTRODUCTION

This chapter reviews the rich international and local literature on poverty. The first section provides an overview of the evolution of the concept of poverty, followed by a review of the multiple ways in which poverty, and the vulnerability to such poverty, manifests itself. This chapter aims to assess the multiplicity of what “being poor” means, by drawing on the literature not only from economics but also from a range of other disciplines, including social science, social rights and even philosophy. The international literature informs the subsequent discussion on the unique brand of poverty in South Africa, its causes, dimensions and the vulnerabilities it creates, specifically in rural areas. In line with the literature on multidimensional poverty, data on different dimensions of the poverty experience in South Africa is shared – money-metric poverty, poverty in terms of capabilities and access to assets, social exclusion and perceptions of own poverty. The discussion also reflects on South Africa’s high levels of unemployment, on the impact of social grants and on intra-household resource allocation. While some trends emerge from this data, the last section uses evidence from applied poverty research in South Africa to begin to extract lessons from experience. Importantly, the focus remains on poor women living in South Africa’s rural areas, to inform the remainder of this dissertation.

### 2.2 EVOLUTION OF THE CONCEPT OF POVERTY

According to Johnson (1996, see also Gazeley & Newell 2007), interest in poverty was first expressed in the late 19th and early 20th century in England, mainly by social scientists like Booth and Rowntree. Seebohm Rowntree conducted the first “scientific” survey of living standards in 1899-1900 in York, England, and Charles Booth was the first person to categorise people into social classes, using eight classes in his analysis. Working in the late 19th century, Booth went beyond the pure monetary identification of the poor and used sociological concerns such as the “condition attaining in the home, and the nature and regularity of employment” (Marshall 1981, as quoted in Laderchi et al. 2003:248). He was

the first person to use a poverty line, which he developed to “compare household income with the cost of a minimum needs basket of goods” (Gazeley & Newell 2007:4). Gazeley and Newell further report that Booth’s research in London between 1886 and 1889 classified households as “poor” or “very poor”, among other categories. The poor were those households “whose means may be sufficient, but barely sufficient, for decent independent life” and the very poor were “those whose means are insufficient ... according to the usual standard of life in the country.” Booth describes the poor as “living under a struggle to obtain the necessities of life and make both ends meet”, in contrast to the very poor who “live in a state of chronic want”. May (2010:5) shows that the poverty lines<sup>15</sup> suggested by Booth and subsequently those proposed by Seebohm Rowntree were “about double the amounts being paid as poor law relief at the time of their calculation”. This suggests that these poverty lines were never intended to serve as guidelines for the calculation of social grants.

But how did they know what people “wanted” or what constituted “a decent, independent life”? The literature on poverty confirms that the concept of poverty is “messy”. According to Laderchi et al. (2003:244), “The current approach to the identification of poverty and to policy formulation is rather messy: on the one hand, there is acknowledgement of its multidimensionality, combined with a pick and choose approach in advocacy with little consistency across studies. On the other hand, in practice the monetary approach retains its dominance in descriptions and analysis...” Researchers often try to avoid the “messiness” by adopting the less complex monetary approaches to define and measure changes in poverty. While these facilitate comparison, they hide the inherent complexity of the concept of poverty. There is no doubt that the emphasis on material needs or the ability to measure consumption objectively has considerable strengths: according to Greeley (1994:57), “an absolute and objective poverty line is a form of information that empowers the poverty reduction agenda and encourages appropriate resource allocations”. However, Chambers lists several forms of deprivation that are not adequately captured by measures of income poverty. Vulnerability to sudden changes in income, ill health, social inferiority, powerlessness, humiliation and isolation are but a few of the dimensions of poverty that expose the “weakness in the correlations between income-poverty and some other deprivations” (Chambers 1995:184). The Australian philosopher, John Finnis (1980), proposes an even longer, more comprehensive list of dimensions of well-being, including health and

---

<sup>15</sup> Booth suggested a poverty line of between 18 and 21 shillings per week for a family of five living in London in 1894 (May 2010b:5).

reproduction, knowledge and education, and also meaningful work and play, friendships and other valued relationships.

The United Nations Development Programme (UNDP) states that, while traditional measures of poverty are often set at some internationally defined monetary unit, such as the World Bank's \$1 a day, "the actual experience of poverty encompasses a myriad of deprivations" (UNDP 2004:43). Many of the dimensions of a more holistic definition of poverty and well-being are qualitative in nature, best measured by considering the opinions of the poor themselves. For instance, Hulme and Mosley (1996:106) report on a study conducted in Rajasthan, which shows that households that became poorer in terms of income over the period 1963-6 to 1982-4 "regarded themselves as being better off in terms of self-defined criteria of the quality of their lives". If poverty is then perceived in a more holistic manner, incorporating criteria such as the quality of life, how does one select the correct dimensions for measuring progress? The multiple dimensions of poverty, if used in a transparent way, can be much more comprehensive and all encompassing than any monetary approach, but the difficulty lies in deciding which dimensions "matter", and why.

There is no shortage of approaches to capturing this complex, multifaceted concept of poverty (Oluoch-Kosura et al. 2004). Any study, including this one, that aims to determine whether poverty was alleviated (or increased well-being was experienced) requires a predetermined understanding of poverty to enable the researcher to set parameters for the work, to avoid falling into what Bradshaw et al. (2000) refer to when they suggest that the measure should not determine the result. Basu (2001:64) acknowledges that the much broader "concept of well-being and progress" has generated two different types of literature, one that is all about "formalising" this new concept and one that operationalises it. In the last category, he includes the UNDP's *Human Development Reports* and the United Nations' MDGs.<sup>16</sup> Most donors, and the World Bank,<sup>17</sup> assess their performance in relation to the impact on poverty.<sup>18</sup> For the "subscribers" to the MDGs to design policies that will reduce

---

<sup>16</sup> During the United Nations' Millennium Summit in New York in 1995, 149 countries agreed to the MDGs; this represents their commitment to halving the world's poverty by 2015.

<sup>17</sup> The *World Development Report 2000/1* also embraces the multidimensional conceptualisation of poverty. This publication, together with Narayan's *Voices of the poor* (Narayan 2000) "demonstrated how poverty was more than that a lack of income and that its multi-dimensional facets and causes suggested the need for carefully designed holistic policy responses" (Johnson 2009:293).

<sup>18</sup> Poverty was not always the prime concern of donors and development institutions. During the 1950s and 1960s, economic growth was prioritised, and the move to "basic needs" strategies only occurred in the 1970s when it was evident that growth was not "trickling down". However, the 1980s saw much emphasis on the

poverty effectively, they need a shared understanding of the concept, especially since they look not only at the (narrow but more objective) monetary approaches but also at poverty in its broader sense. Or, according to May (2010:2), “poverty measurement involves deciding upon an appropriate conceptualisation, deciding upon indicators believed to adequately reflect this vision of deprivation, the collection of data believed to represent these indicators and finally analysis and interpretation of the data”. The following sections review the literature on the many concepts, definitions and measurement techniques of poverty, in order to select the appropriate dimensions for this study.

### 2.3 DEFINITIONS AND DIMENSIONS OF POVERTY

Alkire (2007:5) recognises the “plethora of methodologies and analytical techniques” relating to poverty but indicates that, while a “single, one-size-fits-all, authoritative list of poverty dimensions ... seems attractive” and is preferred by researchers such as Nussbaum, Sen has a different view. According to Sen, capabilities should be selected in line with the purpose of the study, “and their selection should be explicit and open to public debate and scrutiny”. (Alkire 2007:i). Before selecting those dimensions that “matter” for this study, it is necessary to assess poverty from a broader perspective, to ensure that the rich literature informs both the selection of dimensions and the subsequent analysis of the data.

In their article, *Does it matter that we do not agree on the definition of poverty? A comparison of four approaches*, Laderchi et al. (2003:244) present a useful and quite comprehensive approach to organising and analysing the different conceptual approaches to and definitions of poverty. They review four broad approaches to the definition and measurement of poverty – the monetary approach, the capability approach, and the social exclusion and participatory approaches. They find that different ways of viewing and measuring poverty have different implications for policy, since they identify different groups as being poor. Kanbur (2001:26) summarises the importance of deciding on a definition by

---

market and stabilisation policies, with poverty attracting less attention. In the late 1980s, it was clear that poverty was increasing and trickle-down policies were ineffective. This led to a renewed interest in poverty when, by the late 1990s and early 2000s, the market emphasis of the “Washington Consensus” softened and it was recognised that governments did indeed have a role to play in preventing market failure. The emphasis shifted from “getting prices right” to “getting institutions right” (Johnson 2009:293). In 1990, the UNDP published its first *Human Development Report* and the World Bank its *World Development Report* on poverty. During this time, the World Bank also started publishing the first poverty reduction strategy papers and, in 2000, Narayan’s seminal *Voices of the poor* studies emerged from the World Bank. Poverty was clearly back on the agenda, especially since the United Nations agreed on the MDGs in 1995.

stating: “the way in which poverty is defined drives the strategy for dealing with it”. Before reflecting on the literature on each of the “understandings of poverty” in Laderchi et al. (2003:244), the rationale for including a thorough description of the concepts and definitions of poverty in this study needs explanation. In Chapter 5, a conceptual framework is suggested to guide the data analysis from Chapter 7 onwards. While it is accepted that the theoretical descriptions of poverty presented in this chapter cannot fully capture the realities in which this study will engage with the concept, an overview of the literature is crucial to inform the conceptual framework in Chapter 5. Reverting again to Laderchi et al. (2003:244), it is important to agree upfront on the “space in which deprivation or poverty is defined, and how that space is captured by the indicators chosen”. To quote Alkire (2007:4), “there are distinct reasons why economists might consider certain dimensions to matter”.

Laderchi et al.’s (2003) first “understanding” is the *monetary approach* to poverty, as first used by Rowntree in the early 20th century. Defining poverty in absolute terms, such as the well-known \$1 a day of the World Bank,<sup>19</sup> is still the most common methodology. It allows comparisons between countries and over time. Laderchi et al. (2003:244) refer to the *universality* of the monetary definition of poverty. Obviously, monetary approaches to poverty can relatively easily be used across societies, with one caveat – they were initially devised for developed countries and some of the values must be adjusted for developing (or socialist) countries. But, according to Noble et al. (2004:6), “absolute poverty refers to poverty that exists independently of any reference group. It does not depend on the general living standards of the society in which it is conceived and nor does it vary over time.” Despite some weaknesses, most empirical work on poverty still relies on monetary data recorded in household surveys, using the concept of relative poverty. The World Bank sponsored the first such survey in South Africa – the 1993 Project for Statistics on Living Standards and Development (PSLSD). The survey had a module on the perceived quality of life, which included measures of subjective well-being at the household level. When the concept of relative poverty is used, a reference group is required; the income or the expenditure of others in the same society is often used. Interestingly, the PSLSD survey revealed that just over half (52%) of African households in rural areas were poor, in that their scaled per capita expenditure fell below a commonly used poverty line derived from the household subsistence level (HSL) (Carter & May 1999).

---

<sup>19</sup> The \$1-a-day poverty line of the World Bank was recently adjusted to \$1.25 per day (at 2005 prices).

This World Bank study on poverty was followed by a steady flow of other survey-based datasets. These include the General Household Survey (GHS) and its predecessor, the October Household Survey (OHS) (1995-2008), the Income and Expenditure Survey (1995, 2000, 2005 and 2010/11<sup>20</sup>), the biennial labour force surveys (2000 onwards) and the censuses of 1996, 2001 and 2011. For economists, the appeal of any income- or expenditure-based approach lies in its compatibility with the utility-maximising behaviour analysed in microeconomics. This analysis assumes that consumers aim to maximise utility and that expenditure reflects the marginal value they place on commodities. Welfare is thus measured as their total consumption (using either expenditure or income as a proxy). From such information, it is possible to calculate the poverty gap, which is the extent to which they fall below the minimum level of resources required to sustain welfare. While consumption data is usually preferred for measuring monetary poverty, it has one inherent problem: consumption does not adequately value access to public goods.

If a study chooses to use a money-metric approach to poverty, how are the poor differentiated from the non-poor? A poverty line is required to divide the poor and the non-poor. Such lines can be based on the cost of a bundle of goods required to meet basic needs or on the food consumption necessary for meeting minimum calorie needs. Lipton (1986:4) defines the ultra poor as households “who eat below 80 per cent of their energy requirements despite spending at least 80 per cent of income on food”. However defined, a poverty line is the level of income (or expenditure) needed for a household to escape poverty. The poverty line can be relative, for instance by defining all households below the 40th percentile of income as poor, or absolute, such as the World Bank’s \$1 a day, an absolute measure of poverty that is fixed in terms of an agreed-upon standard of living. Poverty lines, however determined, can then be used to distinguish the poor from the non-poor, using different indices. One example is the headcount index, which is simple and easy to construct but fails to reveal the intensity of poverty of those below the line. The poverty gap index better reflects the depth of poverty by showing the required annual income transfer to all poor households to bring them to the poverty line. The squared poverty gap index shows both the depth and the severity of poverty experienced by those below the line. But, already in 1962, Townsend writes: “there is no list of the absolute necessities of life to maintain even physical efficiency or health which applies at any time and in any society, without reference to the structure, organization, physical

---

<sup>20</sup> The results of 2010/11 Income and Expenditure Survey will be released in September 2012.

environment and available resources of that society” (1962:219). He also wisely states: “to some extent the concept of ‘poverty’ is independent of that of income” (1962:223). Both Townsend and Sen emphasise the social determination of poverty. Townsend (1985:659) stresses that the necessities of life vary over time and space, and with changes in society and in the products of society. In other words, what constitutes well-being in one time period or country may not be sufficient in another context. However, despite the availability of data, definitions and international learning, South Africa has still not developed a survey-based poverty line, and the country remains without an official threshold.

The second of the four “understandings of poverty” described by Laderchi et al. (2003:244) is the *capabilities approach*. During the 1980s, when the United Nations’ “lack of choice” and Sen’s “deprivation” or capabilities theories began to appear as a means of measuring poverty, it became increasingly clear that broader definitions of poverty were needed. Sen’s definition of capabilities is much wider than only income; it implies that capabilities are intrinsically important to well-being, while low income is only one of many variables that can influence how a person functions. Sen (1983:159) views monetary resources as one of several “inputs” into the eventual “functioning” of the person, and money alone is not enough for the individual to achieve well-being. Externalities, such as social goods, the environmental context in which the person operates and their own personal characteristics all contribute to their functioning. In the South African context, the capabilities approach adds an interesting dimension to the one-dimensional monetary or money-metric approach, since it allows the researcher to consider a wider range of “capability deprivations”.<sup>21</sup> Monetary approaches intrinsically ignore social goods and emphasise the private resources that individuals can access. While the capabilities approach still does not sufficiently capture the fundamental causes of poverty, it allows for publicly provided goods (e.g. infrastructure services) as well as the environment of the person to be considered, and does not focus solely on the private resources that each person can access. However, translating capabilities into a measurable variable is difficult and, in practice, researchers have defaulted to measuring “functionings” instead, such as life expectancy, morbidity, literacy and nutrition. This means that, again, some form of line is required to assess the distribution of capabilities. The UNDP’s human poverty index (HPI) defines human poverty as “deprivation in three essential elements of

---

<sup>21</sup> Sen’s capabilities include food and shelter, measured in absolute terms, and the commodities a person requires to achieve the capabilities. The commodities required to achieve the capabilities are relative and specific to a particular society at a particular time.

human life” and uses indicators similar to those used for calculating the human development index (HDI) but slightly adjusted. The HPI is based on longevity, defined as “having less than 40 years life expectancy at birth”, adult illiteracy and an overall economic provisioning measure (the percentage of people not using improved water sources and the percentage of children under five who are underweight) (UNDP 2004:45).

Laderchi et al. (2003:257), thirdly, use the discourse around *social exclusion* to describe poverty. This discourse is aptly defined by the European Foundation for the Improvement of Living and Working Conditions (1995) as “the process through which individuals or groups are wholly or partially excluded from full participation in the society in which they live”. Multidimensionality is an intrinsic feature of social exclusion, and empirical work shows a causal connection between different dimensions of exclusion and inclusion, for example between employment and income or housing. Monetary income is both an outcome and a cause of social exclusion, as exclusion can be the result of a lack of income or the cause of the social isolation. Social cohesion or social capital contributes to welfare by promoting participatory decision-making, reducing transaction costs, improving the flow of information about opportunities and providing informal insurance against risks. It helps to understand that the concept was developed for industrialising countries to describe the processes of marginalisation and deprivation of “misfits”, such as the handicapped, drug users and the aged (Laderchi et al. 2003:270). Empirical work on social exclusion adopts a variety of approaches to define it, from exclusion from social and political rights to exclusion from services or the formal labour market. While both the monetary and the capability approaches to poverty depend on the individual’s access to resources, the social exclusion approach relies more on group characteristics.

Furthermore, social exclusion cannot be solved through a growth-based policy response. Growth alone can never eliminate social exclusion. In the South African context, these two arguments (the group nature of the exclusion, i.e. racial discrimination, and the redistributive angle) are crucial. Here, the concept of social exclusion can be linked to the existence of discriminatory forces. Adato et al. (2004) use examples such as racism, the outcome of market failures and unenforced rights to illustrate the role of social exclusion in resource allocation and usage. When the extreme poor in Bangladesh failed to extract any benefit from participation in microfinance programmes, it was decided first to enhance their participation in different social activities. This exposure served to break their social isolation and build

their confidence, eventually enabling them to partake successfully in the microfinance programme (Barua & Sulaiman 2007).

The fourth approach to understanding poverty that Laderchi et al. (2003) discuss is that of *participatory methods*. A more participatory, bottom-up approach, which incorporates Sen's definitions of capabilities at an individual, household and community level, is replacing the top-down nature of understanding and addressing poverty (Oluoch-Kosura et al. 2004). Chambers (2005) shows that this approach evolved from participatory rural and poverty assessments. He defines this approach as "a growing family of approaches and methods to enable local people to share, enhance and analyse their knowledge of life and conditions to plan and to act" (Chambers 1993:1). The World Bank's (Narayan 2000) *Voices of the poor* is a well-known multi-country participatory assessment of poverty. Interestingly, participatory poverty assessments evolved in the early 1990s when Holland and Blackburn conducted such assessments in Ghana, Zambia and South Africa (Chambers 2005:6). Norton & Conlin (2000:6) describe them as "an instrument for including poor people's views in the analysis of poverty and the formulation of strategies to reduce it through public policy".

Research shows that participatory surveys do not necessarily yield results that differ completely from income or poverty line surveys. Kanbur & Squire (2001:208) quotes surveys done in Kenya to establish the correlation between participatory wealth surveys and surveys based on income only. The results were largely similar. It relates to the rationale for the research: if the research is interested only in establishing how many people are below a particular poverty line, monetary approaches are easy and quick. If, however, the purpose of the research is to address the causes of the poverty, it is wise to incorporate the multifaceted dimensions of poverty in the research. Participatory surveys are one way of understanding the aspirations of the poor. Interviews with the poor over many years give new meaning to the concept of poverty (Kanbur & Squire 2001:205). These authors report on how the poor perceive poverty. From the point of view of the poor, there are two main concerns: a feeling of vulnerability and a feeling of powerlessness. The vulnerability stems from external and internal shocks. External shocks include stresses and risks from events such as epidemics, violence, crime, unpredictable rainfall and the like. Internal shocks stem from their lack of mechanisms for coping with these shocks. One way of coping is to diversify their sources of income, since they fear losing what little they have in their effort to cope with loss. Oluoch-Kosura et al. (2004:7) indicate that the vulnerable poor more often need to draw on their

productive resources in order to cope with shocks. They sell land or livestock and take children out of school, which, over time, leads to asset deaccumulation. Alkire & Santos recently developed a new multidimensional poverty index (MPI) to target the most vulnerable people and to use the data to track the MDGs. In selecting dimensions for inclusion in the index, they followed four principles;<sup>22</sup> the first was to “include only dimensions that were regularly identified as important elements of ill-being by communities” (Alkire & Santos 2010:12), in other words, dimensions that were identified from participatory approaches.

Participatory poverty research has devised a range of tools to engage with the poor, from seasonal calendars, focus group discussions and participatory mapping to different wealth-ranking techniques. These methods capture the poor’s perceptions of their well-being and the coping strategies they use in times of crisis. Important for this study is the recognition that the multidimensional nature of poverty requires a more inclusive approach to measuring and addressing poverty. The recent NIDS by the South African Labour and Development Research Unit (SALDRU) dedicates a chapter to “subjective welfare”. Roberts (2009:1) praises the “burgeoning field of self-assessed poverty status, relative economic position, as well as socially perceived necessities and consensual definitions of poverty.” He acknowledges the increasing complementarities between subjective and objective poverty measurement and efforts at integrating the two approaches. The increased use of mixed qualitative and quantitative, or Q-squared, poverty appraisal techniques is encouraging, and several South African surveys incorporate subjective questions on poverty.<sup>23</sup>

On the downside of this “subjective” or participatory technique is the question of whose voices are being heard. Also, the labour-intensive nature of this technique means that only small numbers can be included, which works against a representative sample. The advantages are obvious – this technique moves away from externally proposed standards and helps to clarify some of the problems encountered in the other methods, such as what should be in the minimum basket of commodities or what basic capabilities would entail.

---

<sup>22</sup> The second principle was that the dimensions should carry “enduring consensus”; third, it should be theory-based; and, fourth, the binding constraint was that the data needed to exist (Alkire & Santos 2010:12).

<sup>23</sup> The 1993 World Bank PSLSD was the first large household survey to include questions related to people’s perceived quality of life (SALDRU 1995). The Human Sciences Research Council’s so-called SASAS (South African Social Attitudes Survey) has included subjective questions since 2003, and Stats SA’s Living Conditions, due to be released in late 2011, will also include such questions.

## 2.4 MEASURING MULTIDIMENSIONAL POVERTY

May (2010:4) asks, “given that there is a good deal of agreement on many of the elements of the conceptualisation of poverty, why is there apparently so much disagreement when measurements are taken?”

The World Bank’s poverty website, PovertyNet (World Bank 2009), indicates that “poverty has many dimensions; it has to be looked at through a variety of indicators – levels of income and consumption, social indicators, and indicators of vulnerability to risks and of socio/political access”. More is certainly better when conceptualising poverty, since looking at poverty from different angles ensures a more inclusive approach to this complex phenomenon. In a study conducted in the Côte d’Ivoire, the researchers used nine different definitions of poverty to examine whether the same people would be designated as poor. Their finding that different definitions often do not select the same “poor” implies that different definitions will yield different policy recommendations (Glewwe & Van der Gaag 1990). Laderchi et al. (2003:265) use empirical evidence from India and Peru to test whether the four approaches discussed above broadly identify the same people as poor. In line with the Côte d’Ivoire findings, they observe significant differences in the people identified as poor in the two countries, according to whether the monetary, capability or participatory approaches were used.<sup>24</sup> In India, 43% of children and over 50% of adults who were capability poor<sup>25</sup> were not poor in monetary terms, while in Peru about a third of all respondents who were identified as capability poor were not poor in monetary terms.

The bottom line is that the dynamic poverty discourse increasingly points to the importance of expanding the dimensions included in poverty approaches (see, for instance, Alkire & Santos 2010). Ideally, combined methods should be adopted to reflect the multidimensional nature of poverty more accurately. In 1997, Anand and Sen (quoted in Alkire & Santos 2010:6) wrote: “The need for a multidimensional view of poverty and deprivation guides the search for an adequate indicator of human poverty”. The capabilities approach allows for extending the number of capabilities or the range of deprivations. On the other hand, the social exclusion approaches are difficult to define but it is necessary to use precisely those dimensions when looking at poverty in South Africa: they point to the structural

---

<sup>24</sup> In both countries, the researchers had problems in estimating social exclusion.

<sup>25</sup> Education and health capability poverty is defined as being illiterate (adults) and not attending primary school (children), as well as being undernourished.

characteristics of the poverty problem in South Africa. For example, the massive rollout of social grants is often reported as “having a significant impact on poverty” (Leibbrandt et al. 2010b:67) and the grants are seen to “strengthen the position of the marginalised within networks of social reciprocity” (Neves et al. 2009:26). However, these findings are often very qualified, which needs to be stated clearly. As an example, Leibbrandt et al. (2010b:5) show that, “for the poorest decile, the share of government grants increased from 15% in 1993 to about 73% in 2008”. Neves et al. (2009:30) identify possible negative effects or unintended consequences of social grants. The point is that it is important to “understand how receipt of a social grant animates the larger networks of mutuality and reciprocal exchange” (Neves et al. 2009:27). As an example, Kane (2009b:21) reports that, in analysing the stories of five unemployed mothers in Khayelitsha, she found that material deprivation is only a small element of the poverty experience. She agrees with the observation made in Case et al. (2005:5) that the system of social grants is primarily concerned with alleviating “‘poverty proper’ (i.e. resource adequacy) and not with the physiological, sociological or political dimensions of poverty”. While the available data on South African grant recipients cannot yet show a conclusive trend towards reduced income poverty or a decrease in experienced poverty, the evidence does point to improvements in individual capabilities or poverty domains. Footnotes 4 and 10 in Chapter 1 relate such evidence, and Stats SA (2009:29) shows that children living in households that receive grants are more likely to attend school than are children living in low-income households that do not; this is supported by the findings of several other South African sources.<sup>26</sup>

Obviously, the way poverty is defined will influence its measurement, the outcome and the policy response. A monetary approach will imply an increased focus on income, growth and redistribution strategies. A capability approach will point towards an emphasis on the provision of public goods, while a social exclusion approach will target anti-discriminatory policies (Laderchi et al. 2003:269). Kanbur & Squire (2001:191) summarise this dilemma by saying: “those who view poverty as a lack of income or commodities naturally turn their attention to ways of increasing per capita income – through economic growth – as a potential strategy for reducing poverty”. Adelman (2000:130) calls for development institutions to be more “differentiated” in their policy approaches, as “economic development is a highly multifaceted, nonlinear, path-dependant, dynamic process”. According to Kanbur & Squire

---

<sup>26</sup> See, for instance, Samson et al. (2001), Case et al. (2005), Hamoudi and Thomas (2005) and Van der Berg et al. (2007).

(2001:184), “as more aspects of poverty are recognised, so more policies become relevant to fighting poverty” and, furthermore, the many anti-poverty policies that are available “do more than simply add up”. Ideally, such programmes should be linked in order to reinforce each other. For example, better health enables people to increase their income-earning potential, and grants and safety nets allow the vulnerable poor to take more risks. Furthermore, strengthening an individual’s access to resources and simultaneously building their confidence to use these resources can enhance the impact.

However, Kanbur (2001) blames the lack of consensus around poverty measurement on the different paradigms used by analysts, among other reasons. Some analysts want aggregated information, such as global or national poverty data, to inform policy decisions related to competitiveness or other national policy reforms. Others, according to Kanbur, are concerned with disaggregated poverty data. They want information on urban and rural poverty, gender differences and spatial inequalities. Clearly, these two groups have different priorities. According to May (2010:7), they can “be caricatured as ‘Treasury Types’ and ‘Social Development Types’”. Their expectations differ and their interpretations of new data findings are likely to diverge. For instance, the findings of Leibbrandt et al. (2010b) that migration caused the urban poor to increase by 4.7 million while the rural poor declined by 770 000 will be interpreted differently by different users. Analysts concerned with the provision of basic infrastructure, health care and grants will see increased demand for the rollout of new service delivery in urban areas. Those interested in South African society as a whole will see a “reduction in the share of its growing population who are categorised as poor, and thus vindication of long-term policies to promote economic growth” (May 2010:8).

Oluoch-Kosura et al. (2004:2) believe that economists typically prefer the monetary approach to welfare, while social scientists view well-being as more than just material requirements. This, they say, is also the reason why “economic reform on poverty reduction has been of a top-down nature, where analysts consider a policy reform as an external shock and ask how its benefits and costs work their way through the economy to the poor”. They, in turn, prefer a bottom-up approach, in which the capabilities of individuals and households are considered – the environment they live in and their individual productivity. Streeten (2000:87) too indicates that “poverty is not a technical or economic but a social and political problem”. Clearly, the concept of poverty should be understood in a holistic manner, taking into consideration not only the economic but also the social, political (or rights-based) and even

the philosophical angle in an effort to expand the solutions. Noble et al. (2004:14) summarise the dilemma by saying, “if any definition of poverty is to significantly influence the policy-making process, it is vital that it can be adequately operationalized.” The MPI developed by Alkire and Santos (2010:7) reconciles these different aims and objectives and “reveals a different pattern of poverty than income poverty, as it illuminates a different set of deprivations”.

The rest of this chapter is concerned with the scope, nature and measurement of poverty in South Africa. May (2010:1) sets the scene: “South Africa provides an interesting case study in which over 50 years of poverty measurement has consistently shown a concern with distributional issues as well as with the causes and implications of deprivation”.

## 2.5 RURAL DEVELOPMENT REALITIES IN SOUTH AFRICA

The multidimensional nature of poverty differs from country to country. To comprehend South Africa’s unique brand of poverty fully, it is useful to reflect briefly on the causes of poverty in the country and, more specifically, in rural areas. This context is important since it offers reasons for the scope and nature of the different dimensions of rural poverty. For example, the country’s spatial distortions are a direct result of apartheid policies rather than natural migration or incremental economic development. Section 2.5.2 relates the latest poverty statistics, illustrating the many ways in which poverty is manifested, especially in rural areas. May (2010:7) indicates that, “although the measurement of poverty in South Africa has a long history... the data and measures used are inconsistent and often incomplete and reflect a legacy of 40 years of segregation and dispossession.”

### 2.5.1 Causes of South Africa’s rural poverty

The vast literature (see, for instance, May & Norton 1997; Aliber 2003; Terreblanche 2006; Klasen & Woolard 2009; Marais 2011) on the causes of South Africa’s poverty highlights two main time periods and streams of events as primary reasons for the current (structural) nature of specifically rural poverty. The first period is the three centuries preceding apartheid, and the second is after 1948. In the 17th century, the Dutch and Huguenot settlements in the Cape introduced slavery among the local population, followed by the British “master and servant laws”, which resulted from British settlements in Xhosaland and Natal (Terreblanche 2006:1). Farmers were forced to become sharecroppers or farm labourers and, while “African

agriculture continued to thrive ... it was gradually reduced by further land conquests, as well as efforts to curb sharecropping” (Aliber 2003:474). This was followed by exploitative, repressive laws, enacted and strictly applied on behalf of the British mining corporations. The growing demand for black mineworkers meant that several consecutive governments introduced laws to ensure a sufficient supply of black labour, and the 1913 Natives Land Act “formalized the distinction between the African reserves and white farming areas, prohibiting Africans from acquiring, owning, and renting land in the latter” (Aliber 2003:474). Bundy (1979) and others (see, for instance, Davenport & Saunders 2000; Terreblanche 2006; Marais 2011) recount how these events limited the economic opportunities of Africans and forced them into white farm and mine labour. Several additional laws were enacted to control the movement of Africans, carefully balancing the demand for African labour with the desire to keep white areas “insulated from surplus Africans” (Aliber 2003:474). Several laws formalised this physical separation of Africans and “coloureds” from whites, and the 1950 Urban Labour Preference Policy further deprived Africans of any bargaining power. The separation of families, with the men working on the mines and staying in urban townships and the women and children remaining in the rural reserves, had a devastating and long-term effect on the family system. Keller (2004:18) notes: “Apartheid legislation has had powerful and long-lasting effects on family structure, particularly for blacks ... Furthermore, migrants were prohibited from bringing their spouses and children with them to the cities and consequently many men lived away from their families.” The conditions in the reserves deteriorated, and the households in the rural areas were basically landless.

The second stream of events started in 1948, almost in the second half of the 20th century, when the National Party, representing primarily Afrikaner interests, came to power. The National Party remained in power until the advent of democracy in 1994. During the 1960s and 1970s, the government proclaimed ten “self-governing” homelands, and its policy of “separate development” also implied separate economies. This is an important period in the creation of South Africa’s poor rural areas, since the ten homelands, four of which had so-called independence, were isolated and had bad infrastructure, inferior “Bantu” education, poor healthcare and limited income-earning opportunities. By forcing the majority of Africans into the homelands (through pass laws and restrictions on housing and urban amenities), households were split even more. Working-age members were allowed to work in the cities and their dependants were forced to reside in the homelands and rely on remittances. This is the reason for the uneven population distribution of Africans, many of

whom (including the elderly) are still crowded in the deep rural areas of the homelands (Klasen & Woolard 2009:7). Accordingly, the provinces that were created from the most populous homelands (Limpopo, Eastern Cape and KwaZulu-Natal) are the country's poorest. According to May (2010:7), "by the mid 1980s, estimates for the rural areas designated for African settlement lay at around 75% and 43% for the total population" and, in 1993, 52% "of all African households in rural areas were poor in that their scaled per-capita expenditure fell below a commonly used poverty line derived from the HSL" (May 2010:7).

This process of "active dispossession" (May & Norton 1997:95), whereby the white minority stripped the black majority of their assets, land and livestock, did not end there. According to May & Norton (1997:95), they were also denied the "opportunity to develop these assets, such as markets, infrastructure and education". Decades of disadvantage and marginalisation from educational and employment opportunities created an underclass of unemployed individuals who experience many forms of poverty. In this way, apartheid contributed to the creation of a poor, primarily rural, African population. According to Terreblanche (2006:2), the per capita income of Africans declined from 9.1% of that of whites in 1917 to 6.8% in 1970. Finn et al. (2009:2) use NIDS data to estimate that, by 2008, the mean per capita monthly income of Africans (R934) had risen to only 12.5% of that of whites (R7 461). Argent et al. (2009:2), again using NIDS data, indicate that, by 2008, 63% of all Africans had less than R503 to spend per month and 80% of all Africans had less than R924 per capita per month. Table 2.1 shows that income inequality within rural areas decreased slightly between 1993 and 2008 but that inequality, as measured by the Gini coefficient in urban areas increased from 0.61 in 1993 to 0.67 in 2008.

**Table 2.1: Gini coefficient for per capita income by race and geographical area**

	1993	2008
African	0.54	0.62
Rural	0.58	0.56
Urban	0.61	0.67
Overall	0.66	0.70

Source: Leibbrandt et al. (2010b:32).

The apartheid system had profound effects on the economy and the labour market, resulting in the inefficiencies and distortions still visible today, more than 17 years after the transition to majority rule. The following section reports on gendered poverty trends in the post-

apartheid period, focusing on rural areas. Monetary or income-based measures are available over time and by gender, and other poverty measures are included as far as the limited data sources allow.

### **2.5.2 Poverty and gender in South Africa's rural areas**

Whereas the previous paragraph highlighted mainly income indicators to show the severity of (monetary) poverty among Africans in particular, the next few paragraphs indicate how South Africa's poor, especially rural women, suffer from both income poverty and a multitude of other poverty experiences, owing to the country's unfortunate history. Borat and Kanbur (2006:8) indicate that a "true appreciation of the shifts that have occurred in the post-apartheid period can be derived only through comparing and contrasting movements in income, assets and services available to the poor". Because the causes of poverty in South Africa are complex, it would be naive to use only monetary approaches when measuring changes in poverty in the country. Noble et al. (2004:13) state that "current South African poverty studies tend predominantly to be based around subsistence income or expenditure measures which do not necessarily have any firm definitional or conceptual underpinnings". According to Borat and Kanbur (2006:8), "non-income measures – measures of Sen's entitlement deprivation – have in fact moved counter to the standard income metrics of vulnerability. It is impossible to make an objective assessment of whether poverty, measured multi-dimensionally, has in fact increased in the post-apartheid period." According to the research conducted by Leibbrandt et al. (2010b:46), "aggregate poverty improved marginally between 1993 and 2008", and the "non-money-metric picture of access to services (public assets) and to private assets suggests large and continuing improvements in these dimensions of well-being since 1993. Poverty, when measured in terms of these dimensions, has improved strongly."

The data below provides, as far as possible, a picture of poverty among *rural* households, at both a national and a household level, highlighting the plight of *women*. It is important to describe women's experience of poverty and vulnerability as accurately as possible at the individual and household level because subsequent chapters analyse the poverty experienced by women themselves, as well as within households and communities. The UNDP (1997) claims that 70% of the world's poor are women. In South Africa, only a few studies focused on gendered trends in poverty over the past decade. Posel and Rogan (2012:2) refer to some

of the studies (see, for instance, Phalane 2002; Bentley 2004; Borat et al. 2006; Thurlow 2006; Borat & Van der Westhuizen 2008) that offer preliminary evidence of the feminisation of income poverty in South Africa.

Evidence provided in the next few pages suggests that South African women are, according to several dimensions of poverty, poorer than men. This is despite the fact that, in the post-apartheid period, women benefited from the introduction of equal opportunity legislation and the extension of minimum wages to domestic workers. Furthermore, women benefited proportionally more than men from the expanded social security system. However, the HIV and AIDS epidemic affected women more than it affected men. Other factors contributing to the gendered face of poverty, according to Posel and Rogan (2009:1), are rising female unemployment and the fact that women are increasingly over-represented in the informal economy and in jobs with low earnings. As women, at the very least, benefit proportionally more from social grants than do men, it begs the question whether women benefit from being the grant recipient. This is where intra-household resource allocation and bargaining power within the household are important, and research increasingly suggests that “taking the policy decision to improve women’s status offers significant benefits” (Smith et al. 2003:41).

The next section shows that African women in rural areas are the most vulnerable group, lacking capabilities and material as well as social assets (see Table 2.2). According to Kane (2009a:13), women’s lack of employment and income, poor housing and illness emerged as factors that added to their vulnerability, together “presenting a myriad of challenges that serve to limit their capabilities and reinforce their poverty”. Women struggle to navigate within their vulnerability context. Even in 1988, Sen and Grown commented that women’s vulnerability is “further reinforced by systems of male dominion that, on one hand, deny or limit their access to economic resources and political participations, and on the other hand, impose sexual divisions of labour that allocate to them the most onerous, labour intensive, poorly rewarded tasks inside and outside the home” (Sen and Grown 1988:25, quoted in Kane 2009a:29).

### *Money-metric poverty*

As indicated before, South Africa still does not have an official poverty line: according to May (2010:6), “despite the availability of both data and expertise to develop a survey based poverty line for at least a decade... South Africa remains without an official threshold”. Most

analysts use a lower and upper poverty line to benchmark poverty. The threshold for absolute poverty is between R260 and R515 a month at 2000 prices or, adjusted for purchasing power parity, between PPP\$2 and \$4 a day (May 2010:7). The upper poverty line that is regularly used is R949, again at 2000 prices (Leibbrandt et al. 2010b:36). According to the R515 per capita per month measure, 56% of South Africans lived in poverty in 1993 and 54% did so in 2008 (Leibbrandt et al. 2010b:36). Table 2.2 summarises the Foster-Greer-Thorbecke headcount poverty decomposition across race and gender, using the lower poverty line of R515 per capita per month. From the table, it is clear, when looking at the headcount ratio, that the poverty incidence among African males declined from 66% to 60% over the period, despite the fact that their share of the population increased from 36% to 38%. African females experienced only a slight decline in the incidence of poverty, from 72% to 68%.

**Table 2.2: Individual poverty level by race and gender, 1993 and 2008**

	Share of population		Lower poverty line: R515 per capita per month			
	%		Headcount (%)		Poverty share (%)	
	1993	2008	1993	2008	1993	2008
African female	40	42	72	68	51	52
African male	36	38	66	60	42	41
Coloured female	4	5	32	36	2	3
Coloured male	4	4	29	35	2	3
Asian female	1	1	12	11	0	0
Asian male	1	1	12	19	0	0
White female	6	5	5	4	1	0
White male	6	4	6	3	1	0

Source: Leibbrandt et al. (2010b:37).

But, for purposes of this study, it is important to look at poverty in rural areas. Table 2.3 below shows the change in the level of poverty in urban and rural areas from 1993 to 2008, as well as the population share. While a much higher proportion of the rural population is poor (57% in rural areas as against 43% in urban areas), the proportion of the poor in rural areas declined (from 70% in 1993 to 57% in 2008) (Leibbrandt et al. 2010b:38). This is to be expected, given the significant migration from rural to urban areas during this time. Table 2.3 also shows the poverty incidence in rural and urban areas, which reflects this demographic shift over the period. The very high incidence of rural poverty barely changed between 1993 and 2008, while it increased in urban areas from 34% in 1993 to 39% in 2008.

**Table 2.3: Individual poverty in rural and urban areas**

(Poverty line: R515 per capita per month)

	Share of population (%)			Headcount (%)			Poverty share (%)		
	1993	2000	2008	1993	2000	2008	1993	2000	2008
Rural	51	45	40	77	74	77	70	62	57
Urban	49	55	60	34	37	39	30	38	43

Source: Leibbrandt et al. (2010b:38).

From Table 2.2, it is clear that African women constituted the largest share of poor people in 2008 (52%) and their share of all people earning less than R515 per person per month is increasing (from 51% in 2000 to 52% in 2008). Also, rural areas housed 57% of the poor in 2008, measured according to the lower poverty line (see Table 2.3). The fact that poverty did decline moderately between 1993 and 2008 (from 56% to 54%, using the R515 per capita per month measure) can be attributed mainly to the expansion of the social grant system (Leibbrandt et al. 2010a:5).

Confirming this trend, but using a different poverty line (R322 per capita per month), Posel and Rogan (2012:4) show that, between 1997 and 2006, the percentage of males living in poor households<sup>27</sup> declined from 62.7% to 60.8% (see Table 2.4). For females living in poor households, poverty, measured through income or earnings, also declined, but only very slightly (from 67.74% in 1997 to 67.67% in 2006). Posel and Rogan (2012:5) then add the effect of social grants on household income, plus an expenditure component (see Footnote 27), which results in the percentage of males living in poor households declining from the 1997 level of 57.1% to 52.3%.

<sup>27</sup> Posel and Rogan (2012:5) use three measures of per capita monthly household income to estimate the extent and depth of poverty. The table reports only on measures I and III. Measure I used earned income only; measure II used earned income and social grant income; and measure III used earned income and social grant income with household expenditure as a proxy for income in zero-income households. While measure I shows how poor individuals would have been if they relied only on household income, the second measure shows the extent to which social grants reduce poverty, and the third measure includes expenditure information.

**Table 2.4: Poverty estimates for South Africa, 1997 to 2006 (per capita)**

Poverty line: R322 per capita per month at 2000 prices

	<b>Headcount (<math>\alpha = 0</math>)</b>	
	<b>October Household Survey 1997</b>	<b>General Household Survey 2006</b>
	<b>Earnings only (I)</b>	
<b>All</b>	65.33 (.006)	64.26* (.019)
<b>Male</b>	62.73 (.006)	60.77* (.019)
<b>Female</b>	67.74 (.006)	67.67* (.019)
	<b>Including social grants and household expenditure (III)</b>	
<b>All</b>	59.51 (.006)	55.96* (.020)
<b>Male</b>	57.11 (.007)	52.28* (.020)
<b>Female</b>	61.75 (.007)	59.55* (.020)

\* Denotes a significant change in the poverty estimate from the previous year at the 95% level of confidence. The data is weighted. Standard errors are in brackets.

Source: Posel and Rogan (2012:4); based on the 1997 and 1999 OHS and the 2004 and 2006 GHS.

For females, the decline was from 61.8% in 1997 to 59.6% in 2006. Posel and Rogan's data shows that the gender differences in poverty widened between 1997 and 2006. Women are more likely than men (59.6% versus 52.3%) to live in households where the per capita monthly household income falls below a poverty line of R322 (at 2000 prices), including social grants and household expenditure (Posel & Rogan 2012:9).

Klasen and Woolard's (2009:17) research also shows that the majority of people living in households without an income from an employed person survive because some individuals in the household receive one or more social grants. Households without any connection to the labour market house the majority of the unemployed and thus "carry a disproportionate burden". Similarly, Posel and Rogan (2012:5) show that the risk of living in a poor household is "not distributed equally by gender". The impact on the poverty incidence is particularly evident among the poorest households, and Leibbrandt et al. (2010b:10) conclude that it is "not the labour market but rather social assistance grants which have driven the relative improvement in poverty levels over time." They also show that no less than two-thirds of the income in the poorest or bottom quintile is derived from social grants, mainly the child support grant. For the poorest decile, the share of government grants in total household income increased from 15% in 1993 to about 73% in 2008 (Leibbrandt et al. 2010b:5).

Between 2001 and 2006, the government increased its spending on social grants from R30.1 billion (3.2% of the gross domestic product in 2000/01) to R101.4 billion (an estimated 4.4% in 2008/09). In April 2009, 13.4 million people received social grants (Leibbrandt et al. 2010b:53). The largest percentage is recipients of child support grants, with 9.1 million children benefiting. About 2.3 million people receive old age grants, equal to about 80% of the elderly. According to Leibbrandt et al. (2010b:62), more than two-thirds of the recipients of old age grants are women. There are three reasons for this: they receive the grant at a younger age, they are more likely to be eligible since they are less likely to receive private employer-based pensions, and their life expectancy is longer.

While the massive expansion in the social security system over the past decade has benefited women more than men, the value of a social grant payment is much lower than the value of earnings. Posel and Rogan (2012:6) show that, in 2006, the maximum value of the child support grant was R142 (at 2000 prices), whereas the median real earnings in the same year amounted to R820 for women and R1 340 for men. This discrepancy, coupled with the proven gender differences in access to employment and earnings, means that women, despite the large increases in social grants, “have significant lower levels of income than men in South Africa” (Posel & Rogan 2012:6).

Similar trends in rural (income) poverty are also reported by SALDRU in the NIDS study,<sup>28</sup> released in 2009. Almost all indicators show that people living in South Africa’s formal rural areas and in tribal areas fared the worst. The average age of those living in poor households (households with a per capita income below the lowest poverty line of R502 per month) is about eight years less than the average age in non-poor households, while the heads of poor households had a mean of six years of education, and those of non-poor household 9.3 years. Furthermore, almost 60% of the poor households had women as their head. Bhorat et al. (2009:9) state that “female headed households have lower access to public assets than male headed households”, confirming the fact that “individuals living in female headed households in South Africa remain the most vulnerable in society”. Posel and Rogan (2012:11) confirm this: “Female-headed households are far more likely to be poor and to lie further from the

---

<sup>28</sup> The National Income Dynamics Study (NIDS) is the first national household panel study in South Africa. It was conducted by SALDRU on contract from the Presidency. The aim is to track changes in the well-being of South Africans over several years. In 2008, about 7 305 households and approximately 28 255 people across South Africa were interviewed as part of the NIDS Wave 1.1. The information provides data on topics such as income and expenditure dynamics; determinants of changes in poverty and well-being; household composition and structure; fertility and mortality; migrancy and migrant strategies; labour market participation and economic activity; human capital formation, health and education; vulnerability and social capital.

poverty line than male-headed households”. Also, in 2006, almost 50% of female-headed households reported no household member with employment, compared to 24% of male-headed households (Posel & Rogan 2012:9). Further confirmation that female-headed households are disadvantaged in terms of income is the finding by Borat and Van der Westhuizen (2008) that, although poverty did fall in both female- and male-headed households, the female-headed households became more vulnerable to poverty over the period. This finding was based on their analysis of expenditure data from the 1995 and 2005 Income and Expenditure Surveys.

South Africa’s rural unemployment rate is much higher than the urban unemployment rate, particularly in the former homelands. Klasen and Woolard (2009:2) report that rural unemployment rates in South Africa are far higher than anywhere else in the developing world. Posel and Rogan (2009:6) show that women are much less likely than men to find employment, with 49.5% of all women being unemployed in 2006, compared to 31.9% of men. Furthermore, women who work earn less than 61% of the average earnings of men and they are over-represented in low-wage jobs (Posel & Rogan 2009:6). Posel and Rogan (2009:5) attribute the rising gender gap in poverty rates between 1997 and 2006 to the higher levels of unemployment and lower earnings among women, coupled with changes in household structure. They show that African women, more than any other race group, are prone to being poor. In 1997, 72.6% African women lived in poor households (as did 67.3% of African men). By 2006, the proportion of African women who lived in poor households had dropped to 60.9% while that of men had dropped to 60.6% (Posel & Rogan 2012:5).

The legacy of the system of migrant labour in the apartheid era is also visible in the large number of households without a single employed individual, making the household dependent on remittances from an absent household member (Klasen & Woolard 2009:14). In 2004, about 50% of South Africa’s unemployed individuals lived in households where someone was employed, while 11% of the unemployed lived in households receiving only remittances and 13% in households with no access to labour incomes or grants. A further 38% of the unemployed lived in households with no connection whatsoever to the labour market. If this analysis is done at household level, Klasen and Woolard (2009:15) show that 24% of all households do not have access to labour or remittance income. These households are completely disconnected from the labour market.

*Access to basic services and assets*

Access to basic services, such as water, electricity and refuse removal, is used as one of the dimensions to measure non-income poverty. Between 1996 and 2009, access to basic services in South Africa's rural areas improved significantly, mainly owing to the very successful rollout of basic municipal services and housing (DBSA 2011). Table 2.5 shows the significant increase in households living in formal dwellings, as well as those accessing electricity, water, sanitation and refuse removal. Leibbrandt et al. (2010b) observe that the growth in services was stronger for the poorer quintiles of the population and, in that sense, they argue that the increase in services has been pro-poor. They also acknowledge that "evidence from a number of data sets showed that the improvement in access to services and to assets over the post-Apartheid years had been much stronger than the improvements in money-metric poverty and inequality" (Leibbrandt et al. 2010b:44).

**Table 2.5: Municipal services and housing, 1996 and 2009**

<b>Human settlements</b>	<b>1996 (000)</b>	<b>2009 (000)</b>	<b>Change: 1996–2009 (000)</b>	<b>Change: 1996– 2009 (%)</b>	<b>% of population with access in 2009</b>
Formal housing	5 794	10 431	4,637	80.0	
Informal housing	1 453	1 845	392	27.0	
Traditional housing	1 644	1 417	-227	-13.8	
Other	168	119	-49	-29.1	
<b>Total number of households/dwellings</b>	<b>9 060</b>	<b>13 812</b>	<b>4,752</b>	<b>52.5</b>	
Population	40 584	49 382	8,798	21.7	
Average household size (no.)	4.6	3.6	-1	-21.7	
Use of electricity for lighting	5 218	11 503	4,792	120.4	83.2
Use of electricity for cooking	4 267	9 822	5,555	130.2	71.1
Use of electricity for heating	4 032	7 002	2,970	73.7	50.6
Access to piped water	7 234	12 335	5,101	70.5	89.3
Access to piped water in dwelling	3 977	5 808	1,831	46.0	42.1
Access to piped water on site/in yard	1 491	3 852	2,361	158.3	27.8
Access to flush or chemical lavatories only	4 553	8 220	3,667	80.5	59.5
Refuse removal by local authority	4 838	7 310	2,472	51.1	52.9

Sources: Stats SA, GHS 2009, 6 May 2010 (pp. 95-99, 103-107 and 116-132).

Private asset ownership has also increased over the years. Comparing the results of the 2006 and 2007 GHS to the 2008 NIDS shows that over 60% of all Africans owned a television in 2008 (NIDS), while 56% of Africans had a television in 2006 (GHS). NIDS data shows that

11% of Africans had a motor vehicle in 2008, almost the same as in the GHS data. The above datasets are not directly comparable, but Sartorius et al. (2009:31) evaluate the household asset and other socio-economic data of almost 12 000 households in the rural areas of Mpumalanga between 2001 and 2007. They show that the assets status of the majority of households improved over this period. Cellular phone ownership increased most, from 37.3% in 2001 to 62.8% in 2007, while ownership of other high-cost items such as television sets, fridges and stoves also increased. This is in line with the increase in the use of electricity for lightning from 71% in 2001 to 81% in 2007 (Sartorius et al. 2009).

### *Social capital*

Laderchi et al. (2003) point to the importance of including social capital in an analysis of poverty. According to Noble et al. (2004:11), “the most significant innovation in the recent poverty literature in the developed world is the emergence of the concept of ‘social exclusion’”. Social capital or social inclusion can be measured in many different ways. One approach is to measure it in terms of membership of formal and informal groups or voluntary organisations. NIDS data (Burns 2009:17) indicates that over a third of adults in South Africa belong to at least one such organisation, with burial societies being the most popular (20% of adults), followed by stokvels (6%). Adato et al. (2004:1) took a subset (50 households) of the original KwaZulu-Natal Income Dynamics Survey (KIDS) households and interviewed them to assess the role, if any, of social capital in mobility. They found that social capital can help to stabilise livelihoods but does little to promote upward mobility, especially among households that are trapped in poverty. Such households belong to burial societies and food stokvels only when they can afford the membership.

Social capital also refers to the health and education level of the individual. The DBSA’s *Development Report* (2011:44) states: “Rurality is one of the dimensions of educational resource poverty. Apart from the infrastructural challenges, areas that are poor and rural experience greater difficulties in accessing qualified teachers.” Leibbrandt et al. (2010b:71) criticise South African labour datasets for their lack of detail on health and education, since “the linkages between these topics have proven to be important”. They find that, although individuals with very low levels of education and with no workers in the household have the highest poverty incidence, they did not become poorer over time. The households that did become poorer over time are those with no children in the household, confirming the importance of social assistance. As far as health is concerned, South Africa has a high burden

of disease, with HIV/AIDS and tuberculosis having a significant impact especially on poor households. These diseases reduce social capital and increase vulnerability, and the DBSA (2011:111) states: “South Africa has a quadruple burden of disease associated with the epidemiological transition between diseases of poverty and lifestyle-related diseases, malnutrition and diarrhoea”. HIV/AIDS is the greatest burden, accounting for nearly 40% of all premature deaths, and largely affects women, the poor, the unemployed and children (DBSA 2011:112).

### *Perception of own poverty*

Further following the four “understandings of poverty”, as described by Laderchi et al. (2003:244), participatory methods or subjective poverty assessments are increasingly viewed as part of a more inclusive approach to poverty assessment. Several South African surveys have included questions on people’s perception of poverty and their relative position in society (see Footnote 23). The consumption adequacy approach uses a set of expenditure categories to evaluate the perceived adequacy of household or individual consumption. The five expenditure categories are food, housing, clothing and footwear, health care and schooling. According to Burns (2009:28), reporting on NIDS data, higher levels of consumption inadequacy are noticeable in rural, African, female-headed and poor households. When respondents were requested to indicate their own perception of their poverty along a ladder with six rungs, African adults older than 50, living in poor households with female heads and located outside urban areas registered the lowest (mean) perceived current welfare score. As far as their perceived future welfare is concerned, young Africans living in low-income households have very high expectations of the future (i.e. they expect to move two rungs within five years).

In addition, May et al. (2000) indicate that the South African Participatory Poverty Assessment (SA-PPA) research project, which was conducted in 25 communities in seven provinces during 1995-96, found that the poor experience poverty as continued ill health, arduous work for virtually no income, no power to influence change and high levels of anxiety and stress. This experience of powerlessness is, according to May et al. (2000:41), “linked to gendered power relations within a household”. The SA-PPA also highlighted the amount of time women spend in unpaid labour (fetching water, cleaning the house or collecting wood). The poor also experienced poverty as seasonal stress and the lack of opportunity. This refers specifically to the fact that the poor were often unable to take

advantage of opportunities because of their limited assets. The lack of money or income-earning opportunities was given as the reason why people could not plough or purchase fertiliser, send children to school, participate in stokvels or run informal businesses (SALDRU 1995).

### **2.5.3 Intra-household resource allocations**

Quisumbing and Maluccio (1999:1) show that intra-household resource allocations are not unitary, and that individuals within households have different preferences and do not pool their income. This is evidenced by results from household datasets collected from several countries, including South Africa, which show that assets controlled by women have a positive and significant effect on expenditure allocations towards the next generation, such as education and children's clothing. Streak (2009:12) discusses the collective or bargaining models that now challenge the unitary models. Bargaining models recognise that resource allocation and spending patterns differ, depending on who receives and controls the resources. If bargaining power determines the share of resources allocated to an individual in the household, what determines the bargaining power? Quisumbing (2003:24) suggests that bargaining power is affected by four things: (1) control over resources (especially economic resources exogenous to the person's labour supply); (2) factors that can be used to influence bargaining power, such as legal rights, skills and human capital; (3) mobilisation of interpersonal networks (the level of social capital); and (4) basic attitudinal attributes, such as self-confidence and self-esteem.

The collective or bargaining model maintains that bargaining power determines resource allocation, and resource allocation empowers the "owner" to make expenditure and other decisions. As noted, research confirms that "increasing the resources controlled by women has beneficial effects in a number of areas" (Quisumbing 2003:11). The Organisation for Economic Co-operation and Development (OECD) reports that gendered forms of vulnerability need to be addressed in all facets, and this includes the gender of cash recipients: "The gender of cash beneficiaries can make an overall difference to the effectiveness with which it stimulates investment and facilitates more efficient resource allocation within the household" (Thakur et al. 2009:169). The OECD relates several lessons from South Africa to illustrate this point. They quote the finding by Samson et al. (2001) that girls in households that receive old age pensions are, on average, 3-4 centimetres taller than

their counterparts of the same age in non-recipient households. In addition, Duflo (2003:24) reports that “the expansion of the old age pension program in South Africa led to an improvement in the health and nutrition of girls, reflected in the weight for height of all girls and the height for age of the youngest girls”. She also reports (2003) that allocating resources to women rather than men affects the outcome of the investment. She found, when analysing the 1993 PSLSD data, that the presence of a female pensioner in the household resulted in an increase in the weight-for-age and health-for-age for girls but not for boys. Leibbrandt et al. (2010b:65) quote the finding by Posel et al. (2006) that “rural African women are significantly more likely to be migrant workers when they are members of a household in receipt of a pension, especially when the pension recipient is female.” Similar positive results are reported for education, based on research conducted by Williams (2006). Williams also found that receiving the unconditional child support grant leads to increased labour market participation by the mothers. Quisumbing and Maluccio’s (1999:40) study across four countries<sup>29</sup> consistently reports that “relative resources controlled by women tend to increase the shares spent on education (in all countries except Ethiopia)”. Evidence from South Africa, reported in Quisumbing (2003:13) suggests that “women’s social capital networks are wider than men’s but mobilize fewer resources”. On the other hand, household welfare seems to be more responsive to the social capital of women, since women participate in groups to a much greater extent.

Despite the evidence of the potential benefits of improving women’s status, the fact that such improvement has been identified as a priority by the government, and the fact that the principle of gender equality is enshrined in the Constitution, little progress is evident. Kim et al. (2007:1794) confirm that, in many of South Africa’s rural areas, “traditional cultural norms continue to perpetuate the subordinate status of women”. These South Africa-specific circumstances are important, and Mosedale (2005:245) states: “since gender relations vary both geographically and over time they always have to be investigated in context”. The empirical picture of rural South African women’s experience of vulnerability and disempowerment drawn above serves to quantify their suffering but does not yet offer sufficient information about the qualitative side of their experience. Alongside increased economic well-being, women’s empowerment forms the core of the conceptual framework developed for this study (see Chapter 5).

---

<sup>29</sup> Quisumbing and Maluccio (1999:1) looked at data from Bangladesh, Indonesia, South Africa and Ethiopia.

#### 2.5.4 South African-based empirical research into multidimensional poverty in rural areas

Carter and May (1999:2) develop a livelihoods approach for South Africa by disaggregating the rural population into discrete livelihood strategy classes, but in so doing they retain an *income* focus. Klasen used the 1993 PSLSD dataset to develop a deprivation index of 14 indicators, all related to *capabilities*. Importantly, Klasen's deprivation index examines capability outcomes directly. He acknowledges that his index, comprising 14 "components of well-being", is not an attempt to "propose the definitive measure of well-being, but simply to contribute to a debate about possible ways to capture well-being more directly than relying on expenditure as an imperfect proxy" (Klasen 2000:43). In assessing the approach used by Carter and May versus Klasen's, Qizilbash (2002:761) argues that Carter and May's "implicit notion of vulnerability is about the risk of becoming poor", while Klasen's (1997:53) work is more inclusive and speaks to both income and human poverty. Hulme and McKay (2005:18) suggest that only 11 of Klasen's components<sup>30</sup> speak to capabilities, the others – income and wealth – are commodities.<sup>31</sup> Noble et al. (2004:13) appreciates Klasen's attempt to stress the multidimensionality of poverty, since it helps to move the debate away from income alone, but warns that the "choice of elements and cut-off points are essentially arbitrary, relying as they do on 'expert' definition". Noble et al. (2004:14) plead for a so-called consensual definition of poverty, which will "have the stamp of democratic legitimacy in a way that 'expert' definitions, no matter how theoretically acute, do not."

This consensual approach is best illustrated in Clark and Qizilbash's poverty measurement technique used in 2002 and 2005 in South Africa. They have explored many approaches for dealing with the vagueness of poverty and the boundaries that separate the poor from the non-poor. While most studies use monetary approaches, sometimes coupled with Sen's capability approach, Clark and Qizilbash's (2002 & 2005) research investigated what people themselves view as basic or essential to survival, and where they draw the line between poor and non-poor. This approach is more aligned to the participatory approach to measuring poverty. They studied three locations in South Africa: Kwanonqaba (a township in the Western Cape), Murraysburg (Great Karoo, Western Cape) and Khubus (an isolated village in the Northern Cape). The framework used by Clark and Qizilbash first identifies some core poverty

---

<sup>30</sup> The remaining 11 components are years of education, housing characteristics, access to water, type of sanitation & transport, employment, access to and usage of financial services, nutrition, health care and safety.

<sup>31</sup> According to Noble et al. (2004:7), capabilities include such things as nutrition, shelter and the capacity to move from A to B, and should be defined in absolute terms, while the commodities required to achieve the capabilities are relative and depend on a particular society at a particular time.

dimensions. According to this framework, a dimension is regarded as core if over 95% of the sample endorsed it. This process revealed 12 core poverty dimensions.<sup>32</sup> These 12 dimensions were then used in the three locations to distinguish between the definitely poor, the non-poor and the vulnerable – those between these two extremes. The findings indicate that the definitely poor or the core poor needs “eradication” policies, whereas those identified as vulnerable would benefit from “prevention” strategies. Eradication strategies should, according to Qizilbash (2002:23), focus on the provision of water and housing, while the prevention strategies should include education, health, jobs and nutrition. These results correlate with Klasen’s (2000) analysis of the PSLSD data, and confirm that it is crucial to distinguish between “income poverty” and “human poverty”, since “the distinction matters for accurate identification of the poor (Klasen 2000) and policies which distribute poverty eradication grants to provinces on the basis of poverty incidence” (Clark & Qizilbash 2002:23). Furthermore, the results confirm Klasen’s finding that the poor themselves set extremely tough (non-monetary) standards for someone to qualify as poor.

In other research, Qizilbash (2002) uses seven indicators to measure poverty in South Africa’s nine provinces. The selection of indicators was partly influenced by the availability of data from the 1996 census. The first of his seven indicators is household expenditure and the others are educational attainment, access to several municipal services (type of water source, regularity of refuse removal, energy source for cooking, and rooms per household) and employment. When the results for household expenditure are assessed in isolation from the other six dimensions of poverty, the results differ completely. For household expenditure alone, the Free State has the highest incidence of poverty but the province does not appear in the bottom three provinces if the indicators of human poverty are used. If only the six remaining poverty dimensions are used, the Eastern Cape is worst off, with the Northern Cape second and the Free State only seventh. According to Qizilbash (2002:768), “human poverty and expenditure poverty rankings are quite different”. If income status alone is used as the formula to calculate the equitable share that each province receives, those provinces with many poor people, such as KwaZulu-Natal, will always “win”. Qizilbash’s results confirm the findings of the first comprehensive survey on poverty done in South Africa. The 1993 PSLSD survey of 9 000 households included not only income information but also other dimensions of poverty. It is still seen as the best baseline survey against which to

---

<sup>32</sup> The 12 core poverty dimensions selected on the 95% endorsement rule are: clean water, health, access to health care, housing, jobs, education, freedom, nutrition, safety, self-worth and respect, survival and religion.

measure and monitor the achievements of the first democratic government. While the survey found a correlation between income poverty and poverty measured according to a broader index of indicators, it also identified a group of people who were much more deprived than suggested by the income measure alone. From these results, Klasen (1997:89) stated that, while the reduction of income poverty is important, “there are other possible strategies that focus directly on reducing the specific non-income deprivations suffered”.

## 2.6 CONCLUSION

This chapter discussed the origin, meaning and measurement of poverty, as presented in the international literature. The multidimensionality of poverty complicates the measurement of poverty and points to the importance of selecting the correct indicators if changes in the poverty situation of households or individuals are to be evaluated. The causes and nature of poverty in South Africa’s rural areas were discussed next, and the historic overview confirmed that poverty in South Africa is truly multidimensional, especially among those closest to or below a lower bound poverty line. The bottom deciles of the income distribution are still dominated by African people and by those living in the former homeland areas. Deprivation among the African population, especially among women in rural areas, is severe, and Chapter 2 used various proxies to convey these deficits. Money-metric poverty among the poor is measured using lower bound poverty lines, taking into consideration the impact of social grants. Among the poorest, Leibbrandt et al. (2010b:62) finds that two-thirds of their income comes from social assistance grants. Other dimensions of poverty, such as physical poverty, are proxied using access to basic services and housing, while the poor’s own perceptions of their poverty serve to complete the picture.

However, all these dimensions are static and present a particular picture of the rural poor at a specific time. It also reflects one dimension at a time, either the lack of income, or limited access to assets, or social exclusion. It does not fully capture the dynamic nature of experienced poverty and the coping strategies needed to deal with risks and disasters. For instance, the data on rural poverty in South Africa shows that the poor live in a context of high vulnerability but it does not convey the fact that being vulnerable reduces the assets available to households, and their ability to utilise their resources to mitigate poverty. These dynamic dimensions of poverty, or vulnerability to poverty, are discussed in Chapter 5 and inform the conceptual framework used from Chapter 7 to evaluate changes in the empowerment and economic well-being of poor rural women.



## CHAPTER 3: THE IMPACT OF MICROFINANCE ON POVERTY

### 3.1 INTRODUCTION

This chapter reviews the evidence on the impact of microfinance on poverty alleviation. As demonstrated in Chapter 2, poverty is manifested in many different ways, implying that government policies to reduce poverty should consider all the dimensions of the poverty experience, as well as the vulnerabilities that it creates. Microfinance is one of many tools for addressing poverty. Since the mid-1980s, institutions such as the Grameen Bank and the Bangladesh Rural Advancement Committee (BRAC)<sup>33</sup> have made impressive gains in reducing poverty among women. Evidence shows that access to microfinance can not only address income poverty but also often achieve outcomes far beyond just economic returns. For example, it can lead to increases in women's empowerment. However, the literature also suggests that, while microfinance practitioners often claim that access to microfinance reduces poverty and empowers women, such a claim is difficult to prove. Evidence from experimental trials is limited and often fraught with methodological problems. Measuring the impact of microfinance on the well-being of its recipients is challenging mainly because of the difficulty of establishing causality between the effect of the loan and selected outcome measures. Despite this, the results of several studies on the relationship between microfinance and a reduction in selected dimensions of poverty are encouraging. For several researchers (Goldberg 2005; Roodman 2009; Bateman 2010; Odell 2010), the question remains: under what circumstances is microfinance empowering and when does it become a "rope around the neck?" (Qureshi 2009:10).

To assess the divergent claims of the success of microfinance in alleviating poverty, Chapter 3 reviews the literature on microfinance impact studies. The chapter is organised as follows: the next section (section 3.2) reviews the necessity for and scope of microfinance impact studies, and reflects on the methodological differences among the impact studies. Section 3.3 presents the results of the impact studies on empowerment outcomes, while section 3.4 focuses on the impact of microfinance on other indicators, such as income, economic well-being and livelihood security. Section 3.5 concludes.

---

<sup>33</sup> BRAC is a non-governmental organisation in Bangladesh. The programme started in 1972 and is now similar in size to the Grameen Bank. By the end of 2009, Grameen had 6.4 million members and BRAC had 6.2 million (MIX 2011).

### 3.2 THE PURPOSE AND SCOPE OF MICROFINANCE IMPACT STUDIES

As indicated, microfinance programmes such as the Grameen Bank in Bangladesh, BRAC and the Bank Rakyat Indonesia (BRI)<sup>34</sup> are reaching millions of poor rural women. These programmes increasingly target women, as their repayment rates are higher and loans to women have a larger impact on poverty alleviation. This, the evidence suggests, is because women prioritise their expenditure on their family's welfare<sup>35</sup> (see, for instance, Goetz & Sen Gupta 1996; Morduch & Armendariz 2004; Mayoux 2005:7). The Consultative Group to Assist the Poor (CGAP), a branch of the World Bank dedicated to microcredit, reports that microfinance contributes to the achievement of the MDGs through the eradication of poverty and hunger, the promotion of gender equity, the empowerment of women, a reduction in child mortality and an improvement in maternal health (CGAP 2009). However, microfinance sceptics present evidence to the contrary. Critics believe that microfinance can hurt the poor, often causes over-indebtedness and is, in any case, not effective in addressing the root cause of poverty (see, for instance, Harford 2009; Strauss 2010; Crépon et al. 2011). This section reviews the rationale for and scope of the international literature on the impact of microfinance and reflects on the reasons for the varied outcomes.

There are several reasons why it is important to measure the impact of microfinance on poverty. The main reason is that most MFIs receive subsidies from governments or donors. The allocation of these subsidies is based on the MFI's anticipated impact on poverty or on improving the livelihoods of the poor. Microfinance is regarded as a tool to address a market failure, in this case a lack of access to loan finance. This market failure is caused by several factors, such as poor information, high transaction costs and a lack of collateral. The governments or donors need to evaluate whether their money is having the desired effect or whether the same amounts would have been better spent on grants, healthcare or another type of development aid.

MFIs delivering microfinance are not dissimilar to the government-owned development banks created in the 1960s and 1970s to address the market failure in agriculture. These banks were heavily subsidised for entering into markets characterised by high transaction costs and high risks. It was believed that providing subsidised credit would induce farmers to

---

<sup>34</sup> BRI had about 5 million borrowers in 2009 but only about 60% were women (MIX 2011).

<sup>35</sup> Refer to Chapter 2, section 2.5.3 for an overview of the literature on the intra-household allocation of resources. It confirms that women will more often prioritise expenditure on children, especially girls.

irrigate, fertilise and develop new varieties (Morduch & Armendariz de Aghion 2004). In the late 1970s and early 1980s, the Ohio State University's Rural Finance Programme launched a critique of such government-led development banks<sup>36</sup> (Von Pischke et al. 1983; Brau & Woller 2004; Thorne 2008). The critique highlighted several shortcomings: the incentive effects were not adequately accounted for, subsidised credit caused mission drift, and credit was not allocated to the most productive recipients but rather to those with power to influence the allocation. Almost all of these programmes ended up with default rates between 30% and 40% (Morduch 2007:10). At the same time that development banks started to close down (by the mid-1970s to early 1980s), new programmes such as the Grameen Bank came to the fore. These "microfinance programmes" managed to avoid all the classic traps. Serving a slightly different clientele, but still aiming to reach those that could not access market-based funds, these institutions employed new contractual innovations, such as group lending,<sup>37</sup> as a form of information and collateral. In this way, the programmes reduced transaction costs and simultaneously addressed problems of adverse selection and moral hazard.<sup>38</sup>

Although the joint liability approach reduced certain screening, monitoring and enforcement costs, MFIs still incurred substantial costs in reaching the poorest. They continued to receive subsidies and, very soon, the same criticisms levelled against the development banks were levelled against these MFIs. Those that favoured the financial systems approach<sup>39</sup> criticised the fact that the "poverty lenders" were dependent on subsidies and, as such, not sustainable. While they acknowledged that financial sustainability influenced the depth of outreach, they argued that it is difficult to measure such outreach, or social impact, or to prove that the cost of reaching the poorest was justified. In an effort to bring more evidence into this debate, it

---

<sup>36</sup> Specifically India's Integrated Rural Development Programme and the Philippines.

<sup>37</sup> The solidarity group approach uses joint liability to assist MFIs in mitigating several risks, among others the risk of adverse selection. Groups are self-selected, which reduces the potentially high transaction costs of working with the poor. Furthermore, the groups then monitor each other's behaviour and "inflict penalties upon borrowers who have chosen excessively risky projects" (Morduch 2007:96). In this way, joint liability also helps to overcome problems of moral hazard.

<sup>38</sup> The social collateral angle (achieved through the methodology of solidarity groups) also works through the reputational effect. Viewed from an asymmetric information perspective, research indicates that agents (individual women) will always form groups with other agents (women) of the same type. Put differently, poor people living in the same community have good information on each other and, since they have joint liability for the loan, they will carefully select the other group members. It also builds on the many informal ways of saving and accessing credit, such as stokvels, other rotating savings and credit associations (ROSCAs) and cooperatives.

<sup>39</sup> In 1989, the *World Development Report* on "Financial systems and development" was published, which advocated a limited government role in the financial sector. This formed part of the "Washington Consensus" that dominated the thinking on financial systems in the late 1980s and early 1990s. This period was characterised by a neoliberal policy approach that aimed to limit the role of the state and maximise the role of market forces. See also Chapter 4, section 4.3.3.

became essential to somehow account for the costs (subsidies) incurred in achieving impact and to demonstrate impact in a better way. Numerous microfinance impact studies, conducted over a period of 20 years, are now available. Users are interested in the findings of these impact studies not only to prove the effectiveness of microfinance but also to improve it. However, the quality, rigour and methodologies of these impact studies differ greatly. Odell (2010:7) holds that the main goal of microfinance assessments should be to “estimate the average effect of microfinance programs overall, notwithstanding the sometimes conflicting anecdotal evidence and intuition which is so widely available”.

One reason why the results of microfinance impact studies are so mixed is that microfinance interventions differ from programme to programme; this heterogeneity is also reflected in the context within which the financing happens. For instance, Kabeer (1998) argues that the divergence in results between the different impact studies on women’s empowerment is mainly due to differences in methodology but also to the specific concept of empowerment used. Mayoux (2005) confirms this by suggesting that the outcome of microfinance impact evaluations is not only dependent on the evaluation methodology used but also on the researcher’s particular paradigm. She identifies three contrasting paradigms in the international literature on women’s empowerment: the well-known poverty alleviation paradigm, the feminist empowerment paradigm and the financial self-sustainability paradigm (Mayoux 2005:4). The poverty alleviation paradigm emphasises the effect of microfinance on household expenditure and the use of loans for livelihood purposes. The feminist empowerment paradigm focuses more on women’s income-generating activities. While these two paradigms are further developed in Chapter 5 as part of the conceptual model, the financial self-sustainability approach is not given further attention. It is based on the assumption that financial sustainability is the ultimate goal of MFIs (in line with the financial systems approach discussed above) and that the private sector should be able to address the market failure in access to small loans. Women will, via this “inclusive market” approach, automatically be able to access more finance, which will lead to their economic empowerment without the need for any further complementary interventions. The impact studies reported here could be classified as falling within the poverty alleviation and/or the feminist empowerment paradigm.

Apart from these conceptual concerns, microfinance impact studies face certain selection biases. Two main biases complicate the impact evaluation of microfinance programmes. The

first is due to programme placement: MFIs place microfinance programmes in villages that meet certain criteria that are unobservable to the researcher. The geographical placement of the microfinance programme is thus not randomised. This makes it difficult to prove that microfinance was the main cause of certain outcomes. The second bias is self-selection into microfinance programmes. Since potential participants can often choose to join a programme, there are, in effect, self-selecting and unobservable individual attributes, such as motivation or entrepreneurial skills, that complicate the findings. Working on microfinance impact assessments in Peru, Tedeschi (2008:504) concludes that self-selection into programmes “is a substantial problem: those who will eventually become borrowers have significantly higher incomes than those who will not become borrowers”. While certain characteristics of borrowers can be observed (such as age, level of education or marital status), other personal attributes are very difficult to measure or observe. These include entrepreneurial spirit, business connections and focus. As a result, microfinance impact measurement is a highly contested area, with many researchers believing it impossible to prove impact. However, a new generation of impact studies, using a randomised trial methodology, is leading the way to more rigorous impact measurement (MIX 2009c). Randomised controlled trials (RCT) offer a way of overcoming these biases. According to the RCT approach, eligible households are assigned randomly to either a control or a treatment group before “treatment” (in this case microfinance) is applied. While these are scarce (an almost comprehensive list would include Kim et al. 2007; Giné & Karlan 2008; Banerjee et al. 2009; Dupas & Robinson 2009; Karlan & Zinman 2010a & 2010b; Berhane & Gardebroeck 2011; Crépon et al. 2011), this method does eliminate the problem of selection bias. But inherent to such experimental design is the fact that it creates other challenges, such as the periods over which the observations are made. It is ethically not correct to withhold “treatment”, in this case microfinance, from the control group for a long time and, as such, it is difficult to assess the long-term impact of the treatment. King and Behrman (2009) state that the “timing and duration of exposure to programs” is as important as the other biases. In addition to the ethical concerns, it is also very costly and difficult to obtain data over a long period. Still, this method does allow researchers to deal with some of the unobservables.

Fortunately, the quantity and quality of microfinance impact studies are improving; several new experimental methodologies have been used since around 2005, and the questions and contexts within which these studies are conducted have been refined. There is also an increased awareness that the heterogeneity of these programmes (urban and rural, individual

and group loans, or different continents) prevents these impact assessments from being directly comparable. Odell (2010) suggests that “each impact study must be interpreted as a small piece of a growing body of knowledge about how microfinance, in all its forms, functions in the world, and how it affects the lives of the poor”. The evidence discussed below focuses on experimental (randomised) and some quasi-experimental studies, rather than on the myriad of non-experimental studies.<sup>40</sup>

### 3.3 MICROFINANCE AND THE EMPOWERMENT OF WOMEN

Several microfinance impact studies (from all the methodological genres) show that microfinance enhances autonomy and resilience among female participants (see, for instance, Goetz & Sen Gupta 1996; Hashemi et al. 1996; Sebstad & Chen 1996; Mayoux 2005; RADAR 2005; Pronyk 2006). These studies suggest that access to loans for small income-generating initiatives can, over time, translate into higher self-esteem, stronger social networks and more control over household decision-making. Recent evidence, mainly from experimental and some quasi-experimental studies, is used below to examine each of these claims.

One of the “empowerment” claims of microfinance relates to “stronger social networks”, often the result of membership of compulsory solidarity groups. In this context, Roodman (2009) distinguishes between *obtaining* credit and *using* it. The solidarity group methodology is a way of *obtaining* credit and, according to its proponents, it creates the opportunity for cooperation, trust and resilience within small groups through the sharing of valuable information. In contrast, Roodman (2009) reports on the research done by Todd in 1996 among Grameen clients. According to Todd, the claim that credit groups foster solidarity is a myth. He says that women go to the meetings “in order to keep open a regular line of reasonably priced credit”, adding that, in order to keep their eligibility for loans, members are willing to assist each other with repayments, as long as they are not asked too often. As such, Todd indicates that “their purpose is not a group purpose but an individual one, firmly rooted in self-interest” (Todd 1996, as quoted in Roodman 2009:44). However, using a randomised

---

<sup>40</sup> Quasi-experimental studies address biases, such as self-selection, through statistical calculations, while non-experimental studies include qualitative assessments and other methods that do not address the selection biases. The advantages of both of these methodologies include that they can be conducted quickly and inexpensively. Quasi-experimental studies can be conducted even when a programme is already running. However, neither of these methodologies can eliminate selection biases. The differences between the control and treatment groups are never fully observable and can lead to inaccurate results (Odell 2010).

approach, Kim et al. (2007) find evidence of increased social group membership among the recipients of microfinance (they were 37% more likely to belong to a social group). They conducted their study between 2001 and 2005 in Limpopo, South Africa, and identified nine different indicators of women's empowerment. The participants in the intervention group experienced some improvements in all nine indicators.

A further claim supported by many impact studies relates to decision-making power within households. The impact literature claims that, through the reduced dependency on their male relatives, women gain decision-making power within households, which improves their confidence and individual agency<sup>41</sup> (Kabeer 1999). Again, Kim et al. (2007) find significant improvements in household communication (85% more likely) and autonomy in decision-making among members of the intervention group (37% more likely). Apart from the fact that female recipients of loan finance experience more bargaining power in the household, access to microfinance is claimed to improve the nutritional status of children in recipient households (see, for instance, MkNelly & Dunford 1999; Pitt et al. 2003; Goldberg 2005:8). Schuler & Hashemi (1994:68) use eight indicators of empowerment to demonstrate that women in credit programmes are less likely than other women to be beaten by their husbands. Kim et al. (2007:12) confirm this trend; their research demonstrates a 55% reduction in violence against women who participated in a microfinance and HIV/AIDS training programme. However, as reported in Quisumbing and Maluccio (1999:42), conflict can develop over the control of assets. Kabeer (1998, as quoted in Quisumbing & Maluccio 1999) reports that Bangladeshi wives borrow money for their husband's use. Similarly, Goetz and Gupta, in their article *Who takes the credit?* (1996), question the extent to which increasing women's access to credit automatically translates into more control over the use of the money.

In contrast, one of the first randomised control trials was conducted in 2005 among the poor neighbourhoods of Hyderabad, India. Banerjee et al. (2009) examined the impact of microfinance on income and selected human development outcomes. While positive effects were observed on business investment and household expenditure, no statistically significant effects on women's empowerment, education or health were found. They concluded that

---

<sup>41</sup> Individual agency reflects the capacity for free and independent decision-making. This is determined by levels of self-confidence and a perceived control over one's environment, among other factors.

microcredit “may not be the ‘miracle’ that is sometimes claimed on its behalf, but it does allow households to borrow, invest, and create and expand businesses” (Banerjee et al. 2009:21). The authors recognise the short timespan of the study (18 months), noting that any impact on the human development indicators may emerge “after a longer term, when the investment impacts may have translated into higher total expenditure” (Banerjee et al. 2009:21). A 2008 study of 320 poor women who received loans via the CASHPOR programme in India reveals that women who took and repaid five loans over a four-year period showed strong movement out of poverty, measured in terms of the US\$1-a-day line. In support of Banerjee et al. (2009), this study (RBS Foundation India 2008) also did not find any evidence of increases in the women’s empowerment. A very recent randomised study, Crépon et al. (2011), investigates the impact of microcredit in the rural areas of Morocco. They find minor statistically significant increases in education and health expenditure among the recipients but no changes in empowerment.

There is increased recognition of the fact that women need more than access to resources to be empowered. It is essential for them to receive training or assistance to strengthen their individual agency or capacity to use the resources in the best way. Mayoux (2005:7) corroborates this point in the context of microfinance by pointing out that “female [microfinance] targeting without adequate support networks and empowerment strategies will merely shift the burden of household debt and household subsistence onto women”. Kim et al. (2007) confirm Mayoux’s point that strategies that aim to empower women should attempt to enhance their ability in more ways than one. Agarwal (2001:7) adds that, if self-help credit groups were “de-linked from their single point focus on credit and invested with more transformative agendas such as finding innovative ways of improving women’s situation economically, challenging social inequality, improving women’s voice in the public sphere and so on, they could prove more effective vehicles for empowerment”. Numerous studies in South Asia find that microfinance interventions often initially exacerbate women’s vulnerability and, specifically, increase the risk of violence against the recipients. However, there is “evidence to suggest this risk may diminish over time as women spend more time in microfinance programs, as the programs themselves become more visible and normative within communities and as broader cultural norms begin to shift” (Kim et al. 2007:1795). Roodman (2009:39) summarises the varying results by saying that “the empirical question is not binary but nuanced, not whether microcredit empowers or disempowers, but how much it does of each in various contexts”.

### 3.4 THE IMPACT OF MICROFINANCE ON INDICATORS OF INCOME AND ECONOMIC WELL-BEING

The 1996 microfinance impact study by Hulme and Mosley remains one of the most widely cited. They focus, among other things, on changes in household income, and compare households in villages with and without microfinance programmes. They find that receiving microfinance positively affected the income of the poor but that income gains were larger for non-poor borrowers (Hulme & Mosley 1996). Despite the scope and breath of the study, it is widely criticised for possible “placement bias” (Morduch 1998; Weiss et al. 2003). The more recent randomised studies explicitly aim to eliminate self-selection and other biases, and several of these studies report a positive overall impact on indicators of income and expenditure.

The Banerjee et al. (2009) study, conducted in the slums of Hyderabad, India, finds significant increases in spending on durables and investment in small businesses among the group with access to microfinance. Another randomised study, conducted by Karlan and Zinman (2010b) in Manila, the Philippines, finds that microfinance leads to an increase in business profits among the male participants. However, it finds no indication of improved empowerment among the female clients. Kim et al. (2007) find similar income gains through their randomised study in South Africa, and report evidence of increased assets and higher expenditure on shoes and clothing. Further evidence is provided by the study conducted by Kondo (2007) in the Philippines. Kondo compares households in villages where microfinance is available with villages without microfinance and finds many positive effects, for instance on the households’ income and food expenditure. However, the positive effects are limited to the wealthier borrowers. Kondo suggests the need for more careful targeting of the poorest and screening for the productive use of the borrowed money.

The evidence from the study conducted by Crépon et al. (2011) in the rural areas of Morocco corroborates these findings. They looked at 5 000 households eligible for loan finance from Al Amana, Morocco’s largest MFI. From among the eligible households, one treatment and one control village were randomly selected. After two years of observation, they concluded that the main effect of the credit was to expand the scale of existing self-employment activities of the treatment households. Such diversification and expansion of existing

business activities were specifically pronounced among households in agricultural businesses. No effect was observed for households without a small business at baseline.

Other well-known impact studies, such as that by Pitt and Khandker (1998), show positive effects on household consumption, especially for female borrowers. They studied 1 798 households in 87 villages in 29 randomly selected upazilla in Bangladesh in 1991-92 and found that a 100 taka loan to a female client led to a 10.5 taka increase in consumption (Khandker 2005). Roodman and Morduch (2009:2) re-examine the outcomes of the much-cited Pitt and Khandker study and find its evidence too weak to be significant. However, they “also do not conclude that lending to women does harm” (2009:1). Khandker then wrote a second paper (2005) based on impact studies conducted in Bangladesh, finding an even stronger impact on the income and poverty levels of the recipient households.

Chen and Snodgrass (1999) examine the Self-Employed Women’s Association (SEWA) bank in India by comparing the bank’s clients with a randomly selected control group in the same geographical area. They conducted two surveys two years apart and found that average incomes rose for all groups but that the increase was less for the control group. A recent study conducted in 16 Ethiopian villages (Berhane & Gardebroeck 2011) uses unique four-round household panel data from the period 1997 to 2006. It tested the impact of participation in the microfinance programme Dedebe Credit and Savings Institution (DECSI) on annual per capita household consumption and on housing improvements. Their analysis accounted for potential programme placement and selection biases, and the results indicate that access to microfinance had a significant impact on per capita household consumption and the probability of improving the roof of the house. While per capita consumption improved even after first-round borrowing, the probability of housing improvements increased with the frequency of participation, indicating that it “takes time before the effect of borrowing on livelihoods is fully materialised” (Berhane & Gardebroeck 2011:54).

### 3.5 CONCLUSION

This chapter aimed to demonstrate that, internationally, microfinance impact studies are complex and the outcomes or results are dependent on several factors. The type of microfinance being studied is important – is it solidarity group lending or individual loans? Furthermore, the orientation or approach of the MFI needs to be considered – is it to assist the poor or is the institution profit-driven? Methodology is another important concern, and

randomised control trials, which eliminate selection biases, are now undertaken more frequently. Over time, this type of impact assessment will increasingly make the findings of microfinance impact assessments comparable. However, not even the most rigorous impact study can conclude, definitively, that microfinance alleviates poverty. Still, Odell (2010) suggests that the body of evidence can serve as a guide for microfinance best practice. To date, the evidence from the numerous impact studies over the past 20 years, using many different methodological approaches, does seem to have some commonalities. Several impact studies point to increased income and consumption among the intervention or treatment group. Odell (2010:6) suggests that “there is evidence from a number of studies that microfinance is good for microbusinesses”. In contrast, very few studies find support for the claim that microfinance has a positive impact on education, health and women’s empowerment.



## CHAPTER 4: THE SMALL ENTERPRISE FOUNDATION

### 4.1 INTRODUCTION

This chapter focuses on the Small Enterprise Foundation (SEF). SEF is a non-governmental organisation operating as an MFI. It is based in Tzaneen, in the Limpopo province of South Africa. The chapter describes the origin and history of SEF, and reflects on the international microfinance environment at the time of its establishment in the early 1990s. It reviews SEF's methodology and documents its performance over the past 19 years. Such a detailed description of SEF is important to inform the data analysis in Chapters 7 to 9, and also serves to document the unpublished story of SEF. Most of the sources used in this chapter are unpublished material, available to the author in her position as a director of SEF.

### 4.2 THE CREATION OF THE SMALL ENTERPRISE FOUNDATION

#### **4.2.1 The political and economic environment at the time of SEF's establishment**

In the early 1990s, South Africans were in a state of anticipation. Nelson Mandela was about to be released from prison and the National Party met with the African National Congress to plan for the first democratic election. Despite this atmosphere of hope, the economy was not performing well. Between 1983 and 1993, per capita income fell by almost 15% and the huge inequality in income distribution persisted. In 1993, the poorest 10% of the population received only 1.1% of the income, while the richest 10% received 45% of the income. These inequalities were also reflected in education, health and access to basic services, such as safe water (only a quarter of Africans had access to piped water inside their houses), sanitation and housing. Between 1989 and 1993, the South African economy went into a recession, and economic growth fell from an already low 1.8% in the 1980s to -1.1% in the early 1990s (Marais 2011).

By the beginning of the 1990s, the then Northern Transvaal<sup>42</sup> was one of the poorest provinces in the country. It is a region of considerable diversity, consisting in part of the developed towns of Polokwane (formerly Pietersburg) and Tzaneen, but also home to millions of very poor people in Lebowa and Gazankulu (so-called self-governing states) and Venda, which had "independent" status (Hirschowitz & Orkin 1994:172). The mainly rural,

---

<sup>42</sup> The Northern Transvaal became the Northern Province after 1994 and has been called Limpopo since 2004.

African population had limited access to economic opportunities, and economic and social infrastructure was inadequate. Data from several sources confirms the status of the province as either the poorest or the second poorest, depending on the indicator used. Using data from the 1993 PSLSD, Leibbrandt and Woolard (1999:48) report that, at a poverty line of R301 per adult per month (at 1993 prices), the incidence of poverty was highest in KwaZulu-Natal and the Northern Province. Van de Ruit et al. (2001:35) show that, in 1991, the Northern Province had the lowest HDI of all the provinces, comparable to the HDI of Zimbabwe. Census data from 1996 ranks the Northern Province as the poorest on 10 of 11 indicators, with only 38.2% of households having access to electricity and 12.8% to refuse removal services, against the national average of 53.4% (DBSA 2008:308).

According to research by Seekings and Nattrass (2006), among others, a typical Northern Province ex-homeland “village” near a larger town might have been home to thousands of households, whose main source of cash was government grants and the occasional remittances from urban relatives.<sup>43</sup> In the early 1990s, a typical poor household in a rural village probably had a woman, aged in her 40s or 50s, as the head of the household. She was too young to receive an old age pension but too old to have a living mother who could bring a pension into the household. She might have had at least one of her children and, perhaps, grandchildren living with her. The house was probably made of mud, without electricity, water or a toilet. One of the daughters probably collected water from a communal tap some distance away. This household was poor because it had no claim on the state (in that it included no one who was eligible for an old age pension), little or no claim on kin (in that it received little or nothing in the form of remittances) and no land, and its adult members were unemployed. Unemployment was clearly the crucial factor here. Household members were unemployed for both personal and economy-wide reasons; they lacked the skills and connections required to get a job in late-apartheid South Africa. They might even have been evicted from a farm in the 1960s and 1970s because they were surplus to the farmer’s labour needs. Influx control forced them into resettlement villages in the reserves, where they had no access to land for planting or cattle. Some members of these households had probably spent time working on the goldmines. But, in the 1980s, the goldmines had cut back on labour, preferring to employ a permanent and semi-skilled or even skilled workforce rather than a

---

<sup>43</sup> The basis for the cash economy in most rural areas, particularly in the ex-homelands, is the old age, disability, and child support grants, supplemented by transfers from employed relatives in urban areas. The child support grants had not yet been instituted in the early 1990s; at the time, remittances from migrant workers and old age grants kept the rural areas going.

larger workforce of unskilled workers drawn from a shifting pool. Poor households in resettlement villages probably lacked the social capital (i.e. the friends and relatives in urban areas) that was required to hear about and then seize urban employment opportunities. The children would have attended some of the worst schools in the country and acquired few skills. Living in poor areas, there were few opportunities to start a small business. Without financial or social capital, and with only limited skills, they would have been hard-pressed to start a small business elsewhere. People with few skills and few connections were confined to what had become a largely rural underclass. The tiny household-based microenterprises that did survive depended on their ability to capture a portion of the pensions or remittances by selling goods and services to other local households. The growth of these microenterprises was limited by the availability of cash that entered the village economy and by the proximity of formal sector competition. Baumann (2002) suggests that these tiny survivalist enterprises had very little scope for growth, since there was just not enough cash in the village economy to fund purchases of more goods and services, and there were few “niches” to exploit. He reports that “the influx of cash is more or less fixed by the number of grant recipients and the value of the grants” (Baumann 2002:7).

In these circumstances, SEF was established on 3 July 1991 as a non-profit, section 21 company (RSA 1991) by John de Wit, and started operations from the head office in Tzaneen in February 1992. De Wit decided to create an organisation that targeted the poor. Having worked at the Get Ahead Foundation,<sup>44</sup> he decided to set up a rural-based organisation to serve some of the poorest communities in the country, in one of the most deprived rural areas.<sup>45</sup> The choice of both the location (a deep rural area) and the methodology (solidarity groups) was dictated by the need to reach the poorer part of the population, which had no access to formal loan finance. At the time, the success of the Grameen Bank<sup>46</sup> in Bangladesh was becoming well known. Its “joint liability” solidarity group lending methodology required

---

<sup>44</sup> The Get Ahead Foundation (called Marang Financial Services since 2000), one of the pioneer MFIs in South Africa, was based in Pretoria. The Foundation had both an individual loan programme and a group lending programme. The latter was conceptualised by a consultant from the United States Agency for International Development (USAID), Hank Jackelen, who worked at the Grameen Bank and brought many of the Grameen principles to South Africa. John de Wit implemented and managed the first group lending programme for the Get Ahead Foundation before he set up SEF.

<sup>45</sup> The original area of SEF’s operation was dominated by the former homeland territories of Lebowa, Venda and Gazankulu. In the early 1990s, the Northern Transvaal was home to 5 million people, with 60% of households living below the poverty line (Barua 1999:17).

<sup>46</sup> In 1976, Muhammad Yunus set up the Grameen Bank in the small town of Jobra in Bangladesh. After a slow start, the Bank grew at a rate of 40% a year from 1984. By 1991, when SEF was established, the Grameen Bank had over 1 million members.

no traditional collateral or guarantees. Grameen embodied exactly what De Wit envisaged for South Africa. He customised the Grameen methodology for the circumstances of the Northern Province (henceforth called Limpopo), adjusting for the lower population density, the lack of land ownership<sup>47</sup> and the fact that SEF could not take savings.<sup>48</sup> At the time, microfinance was a relatively new phenomenon in South Africa, with only the Get-Up Fund, the Get Ahead Foundation, the Group Credit Company, the Independent Business Enrichment Centre and the Triple Trust providing tiny loans for business purposes (Baumann 2002:16).

#### **4.2.2 The regulatory environment in the 1990s**

The microfinance landscape in South Africa in the early part of the 1990s was hampered by the Usury Act of 1968, which placed a ceiling on the interest rate that financial institutions could charge on loans. Given the high cost structure of MFIs, this restriction crowded out potential MFIs. But, on 1 January 1993, a general exemption notice to the Usury Act came into law. This exemption removed interest rate control on loans under R6 000 and for terms of less than 36 months. It enabled MFIs, such as SEF, to charge interest rates commensurate with the high transaction costs of serving the poor in rural areas. However, this exemption actually caused the microloan sector,<sup>49</sup> then dominated by payroll and cash-based lending (mostly to formally employed, largely urban individuals) to grow rapidly (ECIAfrica & IRIS 2005:13). The so-called micro-lenders expanded very fast, owing to the pent-up demand for small loans, which had not been readily available from commercial banks or other financiers before. The government soon recognised that the exemption had unintended consequences, and that low-income (mostly urban) South Africans were being charged excessively high interest rates by the burgeoning micro-lending industry. In 1999, the Usury Act exemption was increased to R10 000, and enforced through the newly established Micro Finance

---

<sup>47</sup> The majority of Africans resided on communally owned land in the rural areas of the Northern Province.

<sup>48</sup> The broad definition of deposit taking in the Banks Act has made it very difficult for MFIs to take savings. The Banks Act (1990, as amended) regulates, among other things, the taking of deposits, and require registered commercial banks to hold a minimum capital level of R250 million (Meagher et al. 2006).

<sup>49</sup> The microloan sector or “micro-lenders” (as opposed to the microfinance sector or MFIs) are commercial, for-profit companies that offer cash loans to consumers. Many of these companies traded in contravention of the law before the exemption to the Usury Act in 1993. The exemption legalised their situation, allowing them to charge over 30% interest per month. The revised Usury Act Exemption Notice of 1999 (Usury Act, No. 73 of 1968, Notice 713 of 1999, in terms of section 15A of the Usury Act) included conditions of registration and compliance, and outlawed the “card and pin” collection method used by cash lenders. This method required the borrower to give his/her bank card and its pin number to the cash lender. The lender then withdrew payment for the debt on the borrower’s payday. Examples of micro-lenders include Louhen Financial Services and King Finance.

Regulatory Council (MFRC).<sup>50</sup> The MFRC was set up when the government realised that the 1993 Usury Act made it possible for the commercial micro-lending sector to charge exorbitant rates. From 1999, all institutions providing microloans had to register with the MFRC's National Loans Register. The new legislation helped to control the abusive lending practices that were carried on legally under the 1993 exemption to the Usury Act (Porteous 2003:6). From 1992 to 2006, when the National Credit Act<sup>51</sup> replaced the Usury Act, several MFIs came and went. To name but a few, in 2003, the following MFIs were registered with the National Credit Regulator: Beehive EDC, FINCA, SEF, Marang Financial Services, FinaSol and several other financial services cooperatives.

Another notable event was the launch of the Financial Sector Charter<sup>52</sup> in 2003. The Charter created the Mzansi low-cost basic bank account and, by mid-2009, over 6 million new accounts had been created, two-thirds of which by the previously unbanked (FinScope 2009). Since Mzansi accounts are savings accounts, the Charter did little to increase access to credit. However, the Charter worked according to a scorecard system, and financial institutions could earn bonus points and improve their Charter rating if they provided loans to MFIs. As such, some MFIs benefited from increased access to funding.

#### **4.2.3 The international microfinance environment in the 1990s**

At the time that SEF was established, during the late 1980s and early 1990s, lessons from the Grameen Bank started to demonstrate that its solidarity group methodology could reduce both transaction and information costs. The Grameen Bank's so-called "poverty lending

---

<sup>50</sup> The MFRC was established on 16 July 1999 to regulate microfinance in South Africa and counteract the exorbitant interest rates charged by the micro-lenders. The 1993 exemption notice was withdrawn, and all lenders wishing to receive the new exemption first had to register with the MFRC and, thereafter, provide quarterly reports on their businesses.

<sup>51</sup> The National Credit Act replaced the Usury Act (which governs money-lending transactions) and the exemption notice to the Act (under which MFIs and micro-lenders made loans). The National Credit Act aims to protect the customer and regulate all credit transactions, including microloans. The National Credit Regulator was established to regulate the Act and, among other things, it is required to "promote the development of an accessible credit market, particularly to address the needs of historically disadvantaged persons, low-income persons and remote, isolated or low-density communities" (NCR 2009). The Regulator absorbed the MFRC: under the National Credit Act, the Regulator took over all the roles of MFRC in June 2006 (Meagher et al. 2006). The National Credit Regulator and the National Credit Act were introduced to consolidate the regulation of the credit market. This included not only microfinance but also housing, car and furniture finance.

<sup>52</sup> The Financial Sector Charter ([www.fscharter.co.za](http://www.fscharter.co.za)) is an agreement between the major players in the financial sector (banks, insurance companies, brokers and exchanges) on a set of targets for service provision and black economic empowerment. These targets aim to increase financial access or banking services to low-income populations, increase black ownership in the financial sector and support black entrepreneurship. The Charter came into effect in January 2004, following the Financial Sector Summit hosted by the National Economic Development and Labour Council (Nedlac). The Nedlac partners – the government, business, labour and community constituencies – signed the Summit declaration on 20 August 2002.

approach” was contrasted with the “financial systems approach” to microfinance, with the latter promising to deliver a sustainable microfinance system that can, over time, reach out to millions. Robinson’s *Microfinance revolution*, published in 2001, contrasts these two approaches, and the financial systems approach (also referred to as Financial Systems and Development or FSD) was further developed and promoted by the researchers at (primarily) the Ohio State University.<sup>53</sup>

By the late 1990s, it was clear that this emphasis on markets only was not working. Poverty was increasing and it was recognised that governments actually did have a role where and when markets failed. This shift from “getting markets right” to “getting institutions right” was echoed by the World Bank in their *Voices of the poor* publications (Narayan 2000)<sup>54</sup> and, in the field of microfinance, in the creation of the Consultative Group to Assist the Poorest (CGAP) in 1996. CGAP was the World Bank’s response to the “highly vocal NGO [non-governmental organisation] lobby and other critics of its reform policy” (Johnson 2009:294). The word “poorest” was later dropped from the name and replaced by “poor”, mainly because of the realisation that it is very difficult to reach the “poorest” within the framework of financial sustainability.<sup>55</sup> Today, 15 years later, the emphasis of CGAP is far from on the “poorest”. The organisation focuses on low-income households, which are not among the poorest, and on the “unbanked”, as part of the “financial inclusion” discourse (CGAP 2010). This overview is important, given the strong drive to mainstream or commercialise microfinance, so well illustrated in the recent Compartamos<sup>56</sup> debacle. Very often, the commercialisation or inclusive financial systems approach to microfinance hides the fact that

---

<sup>53</sup> To proponents of the FSD, “all institutions that operate in the economy and society” should strive towards financial self-sustainability (Bateman 2010:13). For MFIs, this means that market-based interest rates should be charged and savings maximised as capital. This commercialisation approach was called the “new wave” micro-financial model or, formally, the “financial systems approach” and was believed to “ensure large-scale outreach without the need for subsidization” (Bateman 2010:14). Johnson (2009:295) states that “the proponents of the FSD perspective took it as read that the focus was still on reaching poor people”.

<sup>54</sup> The World Bank-funded *Voices of the poor* publications started to bring the multidimensionality of poverty into the debate. They demonstrated that poverty was more than a lack of income and suggested holistic policy responses.

<sup>55</sup> Johnson (2009:295) gives three reasons why CGAP has moved further away from its original focus on the “poorest”. The first reason relates to the fact that the real impact of microfinance is indirect, via increased economic growth rather than through any direct access benefits to the poor. Second, it is expensive and slow to build MFIs and formal financial institutions are, in any case, now getting interested in the “bottom of the pyramid”. Third, it is very difficult to demonstrate impact and thus justify ongoing subsidies.

<sup>56</sup> Compartamos is a Mexican MFI “privatised” in April 2007. Compartamos used a \$6 million investment to turn itself into a billion dollar company by floating its shares on the market. This event served as a wakeup call to the supporters of the financial systems approach and sparked a debate between those in favour of the commercialisation approach and the traditionalists, such as Muhammad Yunus. The *Financial Times* published an article, “The battle for the soul of microfinance”, by Tim Harford soon after this debacle, debating the profiteering versus the poverty reduction approaches to microfinance (Harford 2008).

microfinance was, initially, designed to improve the lives of the poorest. This is why the “poverty lending” approach combines small loans with other interventions to promote livelihoods and reduce vulnerability. Johnson (2009:299) argues that, while the efforts of many MFIs “appear pedestrian and plodding rather than dynamic and scalable, they do serve to demonstrate the realities of poor peoples’ marginalisation and impoverishment in all its diverse and adverse forms”.

It was these concerns of the “poverty reduction” lobby regarding the World Bank and CGAP’s “mission drift” that led to the Microcredit Summit Campaign. Microfinance received a high profile when a declaration was signed at the February 1997 Microcredit Summit hosted in Washington, DC. Almost 3 000 people from 137 countries attended the Summit, and set the goal to reach the world’s 100 million poorest families with microcredit by 2005 (Yunus 2007:260). When progress was reviewed five years later, at the New York Microcredit Summit+5, it was estimated that almost 30 million people had been reached with microcredit but only about 7.6 million of those lived on less than \$1 a day (the “poorest”). In 2007, “the 100 million poorest marker was reached” (Daley-Harris 2009:7).<sup>57</sup> Furthermore, not only “reaching” but also “empowering women” became the second official goal of the Microcredit Summit Campaign.

SEF is one of a handful of MFIs in South Africa to underwrite the same “poverty reduction through microfinance” goal. In his book, *Banker to the poor*, Muhammad Yunus, winner (with the Grameen Bank) of the 2006 Nobel Peace Prize, tells the story of Kate Makaku, one of SEF’s borrowers. He reports (2007:161) that “John [de Wit]’s program has been particularly successful, reaching thousands of poor borrowers in rural villages.” He shares the story of Kate, who sold avocados and sugar from door to door in a desperate attempt to get enough money to buy food for her family. A \$60 loan from SEF enabled her to buy a used refrigerator and set up a small store at home. Yunus has visited SEF on numerous occasions, and the Deputy Managing Director of the Grameen Bank, Dipal Barua, spent several months in 1999 working at SEF’s headquarters in Tzaneen.

SEF is now almost 20 years old, and section 4.3 reviews its performance over these two decades. In line with events in the international environment, SEF has been pressurised many

---

<sup>57</sup> The official Microcredit Summit website ([www.microcreditsummit.org/socr\\_archive/](http://www.microcreditsummit.org/socr_archive/)) reports: “As of December 31, 2007, 3,552 microcredit institutions reported reaching 154,825,825 clients, 106,584,679 of whom were among the poorest when they took their first loan. Of these poorest clients, 83.4 percent, or 88,726,893, are women.”

times over the past two decades to aim for financial self-sustainability. However, SEF has steadfastly followed a “poverty-focused” approach, meaning that its loans are delivered in combination with other services, and that financial self-sufficiency is not the overarching goal. These additional products and services (described in section 4.4) are costly to deliver and their impact is difficult to measure. This, combined with the fact that SEF cannot use savings as capital, implied that it had to sacrifice financial self-sufficiency to retain its poverty focus, despite the pressure from many funders. But, as is acknowledged by the “poverty-focused” faction in microfinance, the additional products and services “are critical to promoting livelihoods and reducing vulnerability, yet impact assessments have done little to expose these synergies” (Johnson 2009:298). The fine balance between delivering small loans to the poorest women in a rural village in an integrated, supportive manner and striving for financial sustainability is discussed section 4.5. The next section reviews SEF’s performance since its inception in 1992.

#### 4.3 SEF’S PERFORMANCE, 1992 TO 2011

Both SEF’s vision of “A world free of poverty” and its mission “To work aggressively towards the elimination of poverty by reaching the poor and the very poor with a range of financial services to enable them to realise their potential” have guided the organisation since its inception (SEF 2001). SEF has not only pioneered microfinance for the poorest in South Africa but the organisation is the largest MFIs in the country, in terms of both the number of its clients (74 345) and the size of its book (R121 million).<sup>58</sup> SEF has, since 1992, cumulatively disbursed over R1.44 billion on 897 068 loans,<sup>59</sup> 99% of which have been to women. It maintains a bad debt rate of less than 0.2% (SEF 2011b).<sup>60</sup>

SEF is not only one of South Africa’s largest MFIs but is arguably also one of the most successful. In 2004, it received the Grameen Bank’s Pioneer Award. The award recognises “emerging programs breaking new ground as innovators or working in regions that have been

---

<sup>58</sup> The only other MFI operating at a similar scale is the Women’s Development Business (WDB). Mrs Zanele Mbeki, Chairperson of the WDB, recently indicated that WDB Microfinance is in the process of reconciling its client numbers but estimated that they are in the region of 60 000 (De Wit 2011; [www.wdb.co.za/site/investments/index.html](http://www.wdb.co.za/site/investments/index.html)). Marang, another MFI operating in the northern parts of the country, had 25 000 clients and a book of about R30 million in 2010 (Coetzee et al. 2010:10).

<sup>59</sup> While almost 900 000 loans have been disbursed since its inception, the number of clients SEF has reached is 200 347, with an average of 4.5 loans per client (SEF 2011b).

<sup>60</sup> In June 2011, SEF’s bad debt as a percentage of annual disbursements was 0.2% and its bad debt as percentage of average principal outstanding was 0.5%. SEF writes off a loan when part of any installment is more than 90 days in arrears.

traditionally underserved by quality microfinance programs”. In 2009, SEF received the alpha social rating from Micro-Credit Ratings International Limited (M-CRIL).<sup>61</sup> During 2009, SEF also received the Innovation Award from the International Centre for Research on Women for its outstanding contribution to empowering women (SEF 2009a), and a gold award in the CGAP, Michael & Susan Dell and Ford Foundation 2010 Award Certificate for Reporting of Social Indicators. SEF’s socially motivated vision and mission, acknowledged by these awards and ratings, is evidenced by the strong commitment to the “double bottom line”. This refers to balancing financial performance with targeted poverty outreach, and SEF’s performance over the past two decades has constantly been informed by the delicate compromise between achieving financial sustainability<sup>62</sup> and retaining its mission of poverty alleviation.

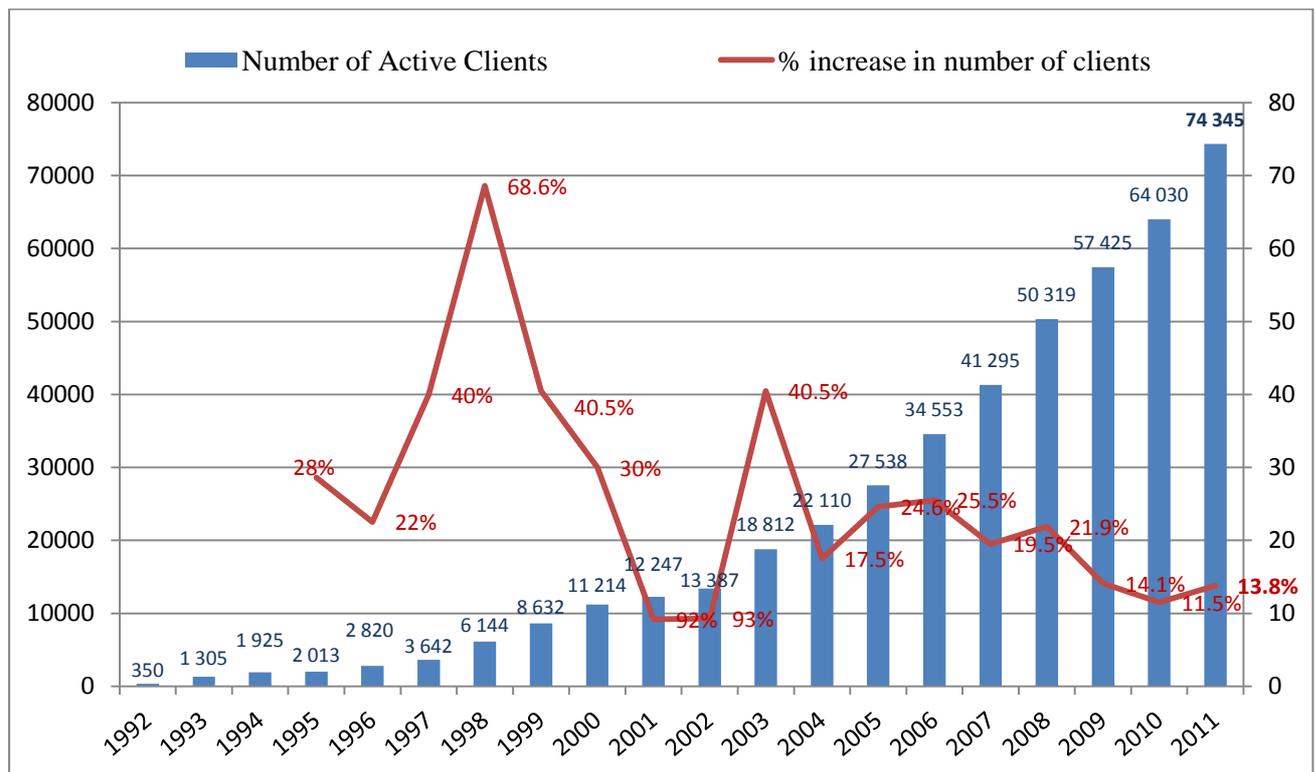
SEF’s growth over the past almost 20 years can be broken into three phases. During the first phase, from 1992 to about 1998, SEF established systems and adjusted the Grameen methodology to local circumstances in rural Limpopo. SEF opened its doors in 1992 and, by the end of its second financial year in June 1994, it had 1 925 clients, 96% of whom were women (see Figure 4.1). SEF grew rapidly from this low base at a rate of 40% to 70% a year. By 1998, it had 6 144 clients. During this time, the average loan size grew from R404 to almost R1 000 per client (R989), as shown in Figure 4.2. In the mid-1990s, effective interest rates ranged from 40% to 47% per year, depending on the term of the loan and the frequency of payment.

---

<sup>61</sup> M-CRIL is the world’s largest microfinance rating agency, which has conducted over 480 financial and social ratings in 27 countries. It specialises in the financial and social ratings of MFIs, and believes that social ratings contribute to greater transparency about the achievements of microfinance in terms of the double (indeed triple) bottom line. Its assessment covers the following categories: clarity of the MFI’s mission, alignment of the strategy and operational systems to the stated mission, social responsibility (client protection, gender approach and responsibility to staff, communities and the environment), outreach (area and client profile), quality of services (range of products, client awareness, retention and feedback). SEF received an alpha rating, which is the second highest possible rating. For more information see [www.m-cril.com](http://www.m-cril.com), where the full report on SEF’s social rating is also available.

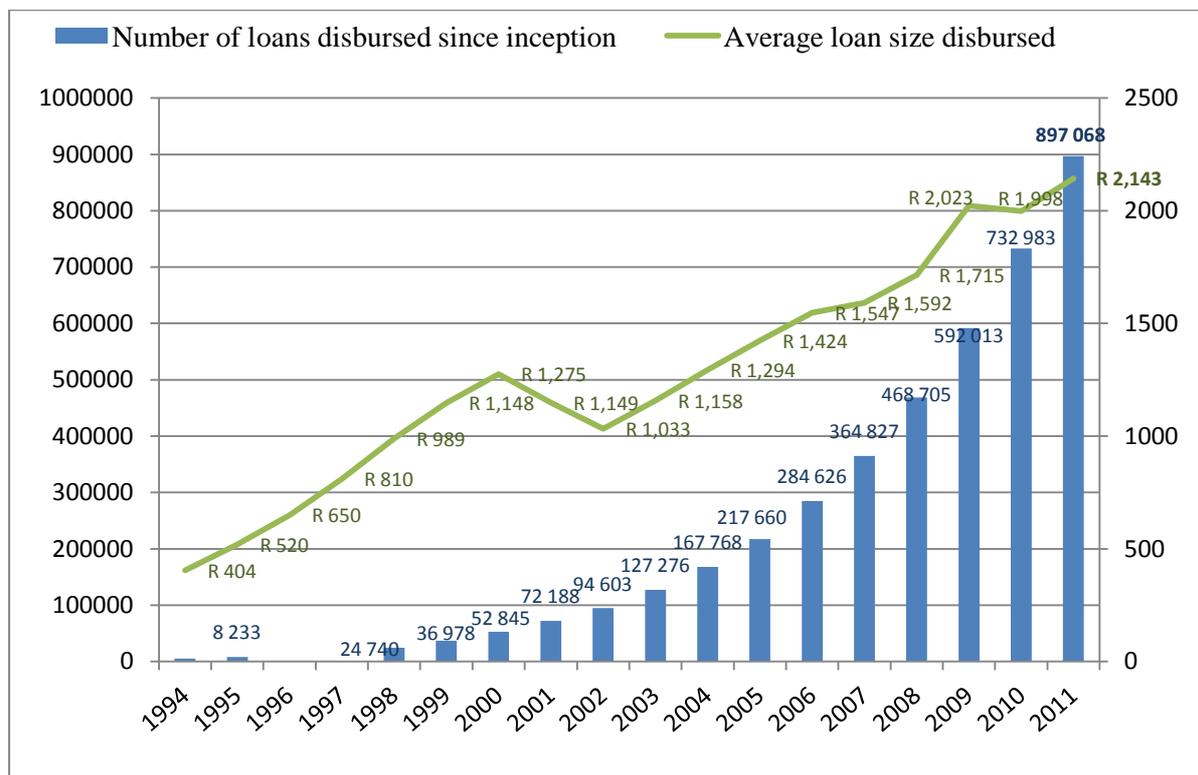
<sup>62</sup> SEF defines financial self-sufficiency or financial sustainability as the total financial revenue divided by the financial expenses, plus the loan loss provision, plus all operating expenses, plus an adjustment that assumes all borrowings to be at the prime lending rate.

**Figure 4.1: SEF’s number of clients and percentage annual growth in clients, 1992 to 2011**



During the first phase, SEF was heavily dependent on donor funding. A USAID mid-term evaluation noted that SEF “continued to move along a path towards sustainability, as the ratio of debtor loan interest to total cost improved from 35% in the 1993 fiscal year to 43% in the 1994 fiscal year” (SEF 1995:2). Despite these encouraging words, SEF’s management was concerned, and reported in 1995 that “a significant proportion of its clients are not among the poorest of this region. Possibly only 40% to 50% of clients are within the target group” (SEF 1995:4). SEF’s management originally believed that replicating the essence of the Grameen methodology would deter all but the very poorest from joining. This methodology assumed that the very small size of the loan (R300 in 1995) and the accompanying high transaction costs (for example, the time spent entering the programme and attending meetings) would ensure that only the poorest women joined and stayed in the programme. However, the 1995 evaluation concluded that only about half of SEF’s clients were among the poorest and that the better off joined SEF because of the limited availability of any form of loan finance in the region (Porteous 2003).

**Figure 4.2: SEF’s total number of loans and average loan size disbursed, 1994 to 2011**



This was not a unique situation for an MFI. With the donor-induced pressures of growth and sustainability, many MFIs worldwide experienced mission drift. Organisations are initially successful in reaching their target group but gradually start to move towards clients who were better off. In response to SEF’s mission drift, it launched a new programme, the Tšhomišano Credit Programme,<sup>63</sup> in 1996. Tšhomišano had an explicit mission to reach only the poorest. To this end, SEF customised the Participatory Wealth Ranking approach (PWR) to identify the most vulnerable 30% to 40% of people in a community. SEF’s adoption of this participatory methodology of ranking each other’s wealth (described in more detail in section 4.4.2) is widely acknowledged and quoted internationally (Barua 1999; SEF 1999; Hargreaves et al. 2004; Hietalahti & Linden 2010). SEF made further adjustments to its methodology to ensure that the poorest are receiving the loans. For example, it started to offer smaller loans and provide greater support to clients through the facilitation of problem analysis and business planning with the clients, as described in section 4.4.3. This custom-made approach to delivering microfinance in South Africa’s rural areas remains groundbreaking, precisely because it is constantly tweaked and adjusted to ensure an undivided focus on the poorest.

<sup>63</sup> Tšhomišano is a Northern Sotho word meaning “working together”.

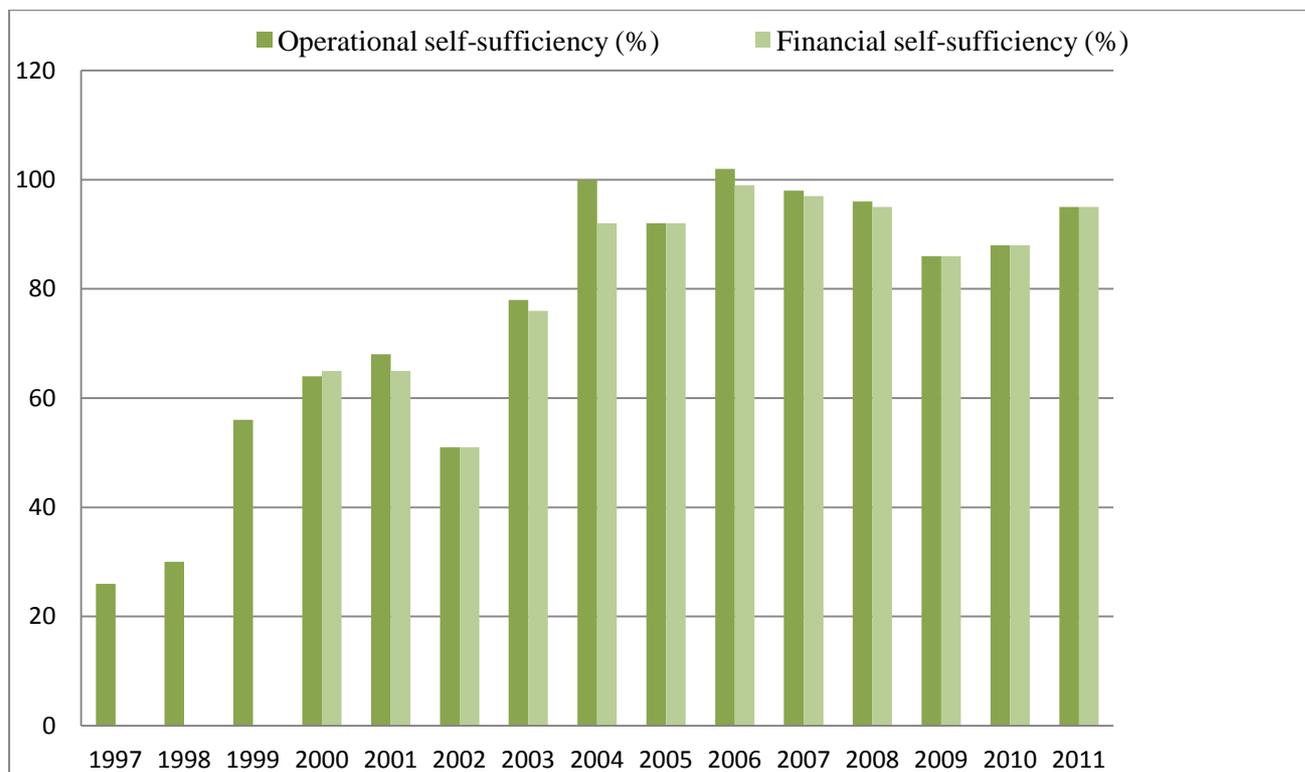
The second phase of growth started from about 1999. After an in-depth analysis of the circumstances that led to SEF still moving away from its stated focus on poverty, SEF's Board of Directors decided to make a drastic change to its approach. The focus on very poor clients was renewed, effective interest rates were increased (from 47% to 65% per year) and staff incentives were reformulated. SEF also decided to introduce an impact monitoring system, "not to prove impact, but to improve impact" (Simanowitz 2000:7). This impact monitoring system went through several trials and SEF's social performance management systems are now widely respected and duplicated.<sup>64</sup> (The rationale for and different components of SEF's social performance management are reviewed in section 4.4.3.)

The second phase lasted until about 2004, when SEF achieved operational sustainability, as shown in Figure 4.3. The 2004 Annual Report states: "This was an historic achievement not only for SEF but for development finance in South Africa as no other development finance organisation has ever come close to this milestone. In fact, worldwide only a handful of organisations that serve the *very poor* in the very specific way that SEF does, have attained operational self-sufficiency" (SEF 2004:2). SEF reached operational sustainability with only 22 000 clients on its books, and a cumulative bad debt of 0.45% of all loans made in over 12 years of operation. SEF defines the operational self-sufficiency ratio as its total financial revenue divided by all financial expenses, plus the loan loss provision, plus all operating expenses.<sup>65</sup> The financial self-sufficiency ratio is defined as total financial revenue divided by the financial expenses, plus the loan loss provision, plus all operating expenses, plus *an adjustment that assumes all borrowings to be at the prime lending rate*. SEF reports regularly on both ratios, at least at the quarterly board meetings.

---

<sup>64</sup> As indicated, SEF won a gold award in the CGAP, Michael & Susan Dell and Ford Foundation 2010 Award Certificate for Reporting of Social Indicators.

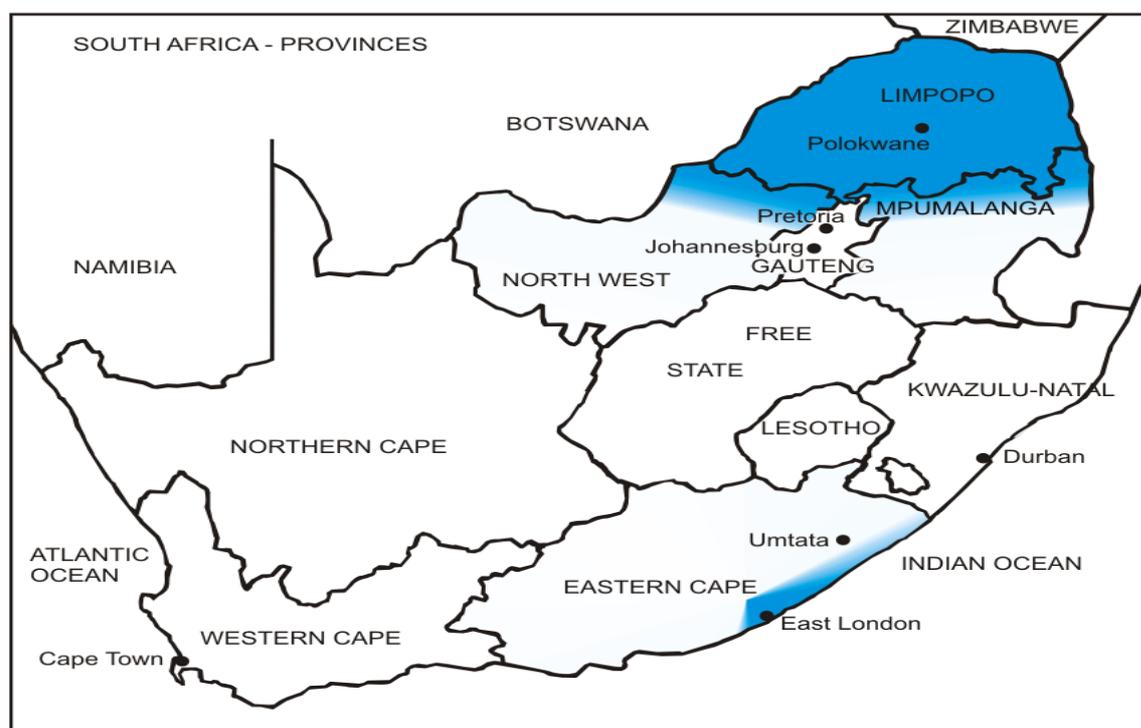
<sup>65</sup> Financial expenses include interest on borrowings or fees on loan contracts, while operating expenses refer to expenditure on salaries, rent, stationery, furniture and the like.

**Figure 4.3: SEF's operational and financial self-sufficiency, 1997 to 2011**

Note: Operational self-sufficiency figures are available from 1997, while financial self-sufficiency figures are available from 2000.

After having achieved operational self-sufficiency in 2004, SEF decided to expand its operations aggressively. This meant that the next goal of achieving financial sustainability had to be sacrificed for the time being, since growth entails significant expenses. SEF had to, among other outlays, hire new staff and incur major expenses associated with opening new branches (see Table 4.1). This resulted in its expenses exceeding its income, and the 2006 Annual Report states: “SEF’s aim is not to achieve a return on investment but rather to reach more very poor people. Thus the organisation actively maintains a balance between breakeven and growth” (SEF 2006:5).

SEF currently (June 2011) operates in four provinces: Limpopo, Mpumalanga, North West and the Eastern Cape, as per Figure 4.4. In the Eastern Cape, SEF operates seven branches in rural villages between Butterworth and Mthatha. In the North West, operations are located in the villages around Hammanskraal, Maubane, Winterveld, Moses Kotane Municipality, Mabeskraal and Sun City. In Mpumalanga, SEF operates around Acornhoek. In total, SEF had 40 branches in June 2011.

**Figure 4.4: Map of SEF's provincial outreach**

On a compounded basis, SEF grew its client base by between 20% and 26% from 2005 to 2008. Since then, it has grown at between 10% and 15% annually, as per Figure 4.1. The average loan size increased from R1 424 in 2005, rising to R1 998 in 2010; it is currently at R2 143 (see Figure 4.2). In June 2011, SEF had 74 345 active clients on its books, fewer than 100 of whom were men. SEF's main area of operations remains the Limpopo province. Together with the Eastern Cape, it has the highest proportion of poor people in South Africa, with 77% and 72% of the respective populations living below the poverty line of R920 per month for a family of five (SEF 2009a:3).

In September 2010, SEF clients held savings, mainly at the Postbank and Nedbank, totalling R20 million (see Figure 4.5); by June 2011, the figure had already grown to R23 million. The average value of the savings per client increased from R140 in 2003 to R314 in 2010. SEF has no control over these savings, which the clients can withdraw at any time. Savings forms an important part of the financial literacy training but also protects clients against indebtedness. SEF always ensure that a client has a savings balance of at least 20% of the requested loan value before approving a larger loan size.

**Figure 4.5: Total savings held by SEF clients, 2000 to 2011 (R million) and savings per client, 2003 to 2011 (R)**

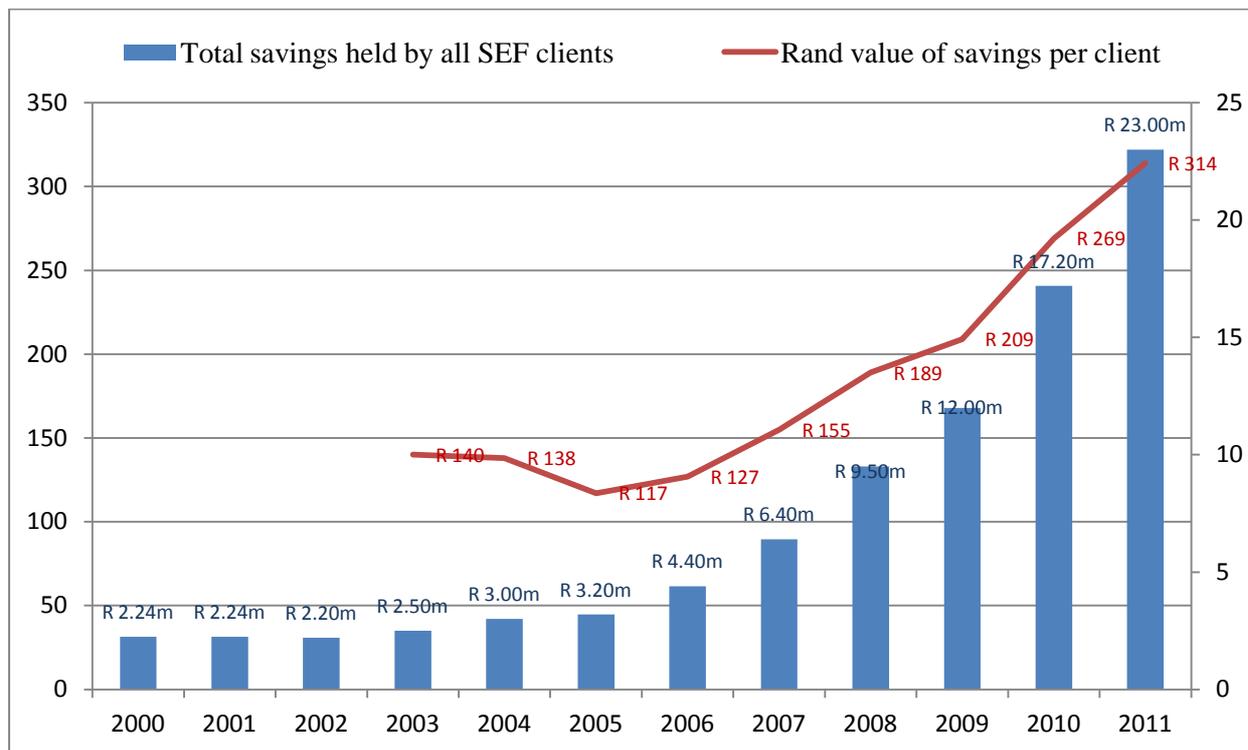


Table 4.1 provides a summary of SEF’s latest performance, as well as the performance results of 1998 and 2004 (the end of the two periods discussed above). All the indicators listed are standard for SEF performance reporting. The table shows that, at the organisation’s financial year-end in June 2011, SEF was very close to having 75 000 active clients. It managed this with a portfolio at risk<sup>66</sup> of less than 0.4% of the book (ever since 2006). Since 2003, more than 99% of its clients have been women. SEF currently has almost 400 permanent staff members and runs at 95% operational self-sufficiency.

<sup>66</sup> Portfolio at risk (PAR) is defined by SEF as the value of all outstanding loans that have one or more instalments of principal overdue by more than 30 days. It includes the entire unpaid balance, both the overdue and future instalments, but not accrued interest. PAR and arrears are not the same. For example, if the balance on a loan is R1 000 and an instalment of R100 was due today but not paid, the PAR is R1 000 while the arrears are only R100.

**Table 4.1: SEF performance summary, 1998, 2004 and 2011**

<b>Indicator</b>	<b>1998</b>	<b>2004</b>	<b>2011</b>
Number of active clients	6 144	22 110	74 345
% female clients	97%	99%	99%
Value of loans outstanding (R million)	R3.4 million	R19.1 million	R121 million
Average loan size disbursed	R989	R1 294	R2 143
Number of loans disbursed since inception	24 740	167 769	897 068
Amount disbursed (R million)	R18.2 million	R170 million	R1.44 billion
Portfolio at risk > 30 days (%)	0%	0.2%	0.2%
Total savings held by clients (R million)	R1.4 million	R3 million	R23 million
Total staff at year end	65	104	392
Clients per loan officer	181	316	268
Operational self-sufficiency (%)	30%	100%	95%
Financial self-sufficiency (%)	Not measured	92%	95%

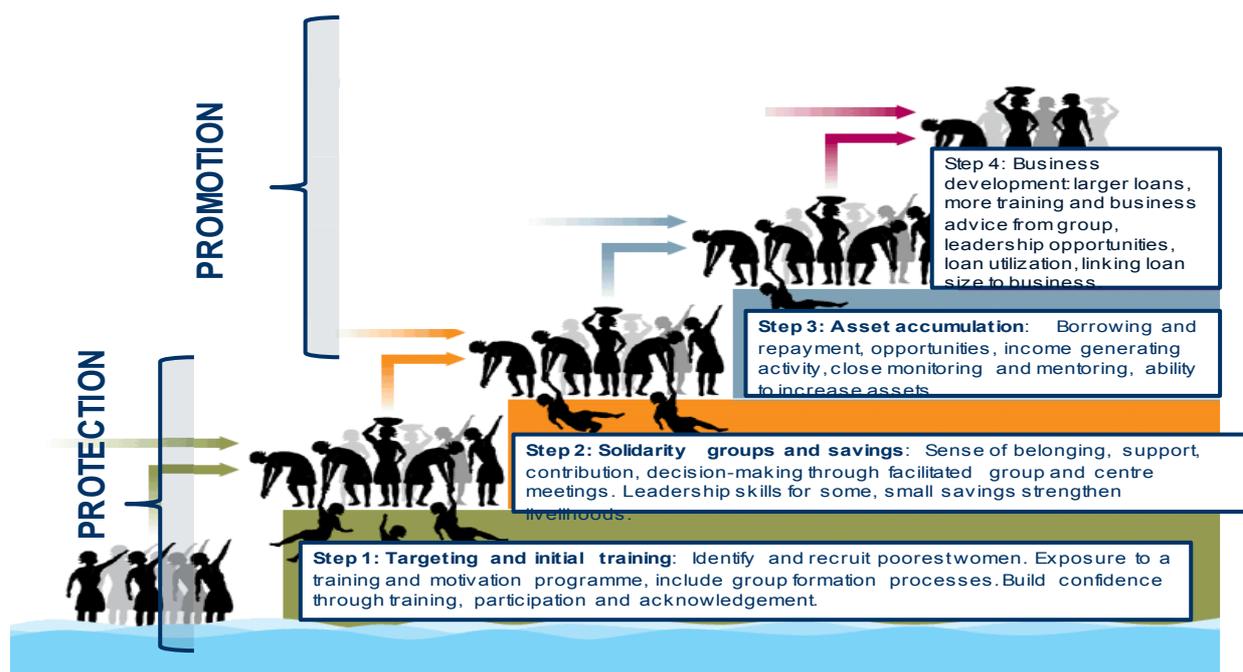
#### 4.4 SEF'S METHODOLOGY

##### 4.4.1 SEF's staircase from vulnerability

Chapter 3 provided evidence that microfinance programmes that offer additional support, over and above loan finance, are more likely to have positive effects. In fact, Johnson (2009:301) argues that microfinance can be delivered in two quite different ways, either taking “a programmatic approach to working with women and tackling gender equity, or ... offered minimalistically with no support at all, making women instrumental agents for access by MFIs to their household economy” (referring to the narrow financial inclusion approach). SEF takes the former approach, acknowledging that access alone is not enough. Therefore, the methodology is designed to assist clients in using their access to small loans to improve their livelihoods and strengthen their ability to negotiate intra-household and marketplace dynamics. In the opinion of Johnson (2009:301), “Financial services and their related interventions are an important resource and means through which to tackle the gendered constraints that poor women face in realising their own aspirations for their future lives”.

Figure 4.6 portrays SEF's methodology as a "staircase" away from vulnerability and towards empowerment. Each step was designed to address a particular constraint and assist the women in overcoming specific limitations. As such, each step represents a product or service, and is developed for a particular reason and to serve a particular purpose. As Harper (2009:326) argues, "the various forms of group intermediation should themselves be treated as complementary steps on a 'ladder', not as competitive products". The first few steps or phases of SEF's interaction with poor rural clients are geared towards identifying (*targeting*) and then supporting or protecting (*tracking*) the most vulnerable women from destitution. As described in Chapter 2, poor rural women in South Africa are not only poor in money terms but are also often illiterate, isolated from economic opportunities and lacking in access to health services and basic economic services, such as electricity and running water. All of these contribute to making them extremely vulnerable to any crisis, whether illness, drought or death in the family. Many households are completely dependent on remittances and social grants and women are, furthermore, often victims of violence from within the household. The first step is to ensure that the poorest and most vulnerable women are identified or "targeted".

**Figure 4.6: A visual illustration of SEF's methodology**



When SEF enters a new village for the first time, the PWR technique (described in section 4.4.2) is used to identify the poorest households. Fieldworkers then visit the selected

households to motivate the women to start an income-generating activity and join the programme. Many of these very poor women lack the self-confidence to generate income from a tiny business. SEF fieldworkers spend time with the individual households, encouraging them to start thinking about the skills they need to start a business or further develop an existing business. Women who are interested and can identify or resume an enterprise are then required to form a group with four others whom they know and trust. Each of the five must wish to obtain a loan for their own individual business. Once the groups have been formed, they undergo six days of compulsory group training on SEF's methodology. This training serves to explain the method of solidarity group lending and the responsibility of a mutual loan guarantee. It also serves to communicate the processes, attendance of meetings, interest rates, repayments and compulsory savings. This training is an important tool to ensure awareness and reduce future reminders and grievance procedures. After a final group test, groups are formally recognised and requested to open a group savings account at the closest Postbank or Nedbank. Although they are free to open an account at any commercial bank in the area, the Postbank and Nedbank provide preferential terms for SEF clients and are best represented in SEF's area of operation. Savings are compulsory for every client at each of the fortnightly meetings but they can withdraw their savings at any time. The minimum saving required is R10 per person per fortnight. SEF has no access to the savings but believe it important for clients to master the discipline of saving. It therefore gives them the responsibility of deciding the amounts to be saved and withdrawn.

The training meetings serve to reinforce the discipline required and clients learn to understand that meetings are the joint responsibility of the centre leaders, group leaders and the fieldworker (also called the development facilitator). Eight groups or 40 individuals constitute a centre, which meets every fortnight. These meetings are structured and run by the participants themselves, who elect a chairperson, treasurer and secretary. The fortnightly meetings are compulsory and fines are paid when a client is absent. After the first few training and savings-only meetings, a group of five women may apply for their first loan.<sup>67</sup> In 1992, the minimum loan size was R300 and the largest loan size, for repeat borrowers, was R1 200. A R300 loan had to be repaid over 10 fortnights (SEF 1995:2). In the 1990s, the effective interest rates ranged from 40% to 47% per year, depending on the term of the loan and the frequency of payment. There were no other fees and no penalty charges for late payment. Today, in 2011, loan sizes start at R500, and clients can choose between repaying

---

<sup>67</sup> Annexure I shows the SEF application form.

their loans over four or six months. Currently, SEF's largest loan is R12 000. Effective interest rates now range between 60% and 65% per year. Repaying a R1 000 loan over a six-month period requires the client to pay six monthly instalments of R210 each, totalling R1 260. The R260 interest on a R1 000 loan is calculated as an initiation fee of R153 and R107 of interest payable over the period. Interest rates are in line with the requirements of the Credit Act, which stipulates the initiation and service fees but does not cap the maximum amount that can be lent out.<sup>68</sup>

SEF disburses all loans directly into the group's account at either the Postbank or Nedbank. Repayments are made in one of two ways. The first is with cash repayments at the centre meetings, which are then deposited by two group members who are delegated at the meeting. Alternatively, each group collects its repayments before the centre meeting and deposits them into the SEF account, presenting the receipt at the meeting. Loan sizes can increase in the second, third and subsequent loan cycles, but the development facilitator is responsible for checking that loan sizes correspond to the value of the client's current business. This ensures that the client does not become over-indebted. The development facilitators conduct regular loan supervision visits, which enable them to understand how each client generates an income. The vast majority of SEF's clients are petty traders, buying and selling food and household goods, cooking food and brewing beer. (For a comprehensive list of the typical SEF businesses, see Chapter 7, section 7.5.) Their turnover and profit margins are high (commonly 40% to 100%). A few are higher-value businesses, such as sewing or craft-making enterprises. These businesses show higher profits but much lower turnover, and tend to have a higher proportion of sales on credit. All of these factors are considered, along with the ability of the business to grow, when linking the loan size to the business.

During the fortnightly meetings, several activities happen beyond just loan disbursement, repayment and savings collection. Clients report on how they have utilised their loan ("loan utilisation checks"), they share information about clients and products, and they discuss each

---

<sup>68</sup> The national Department of Trade and Industry contracted the MFRC in 2004 to undertake a credit law review. This resulted in the promulgation of the National Credit Act, No. 34 of 2005, and the National Credit Regulations in 2006 (Republic of South Africa 2006:20). The Act stipulates that the total cost of credit prescribed for "developmental credit" depends on the ruling repurchase rate of the South African Reserve Bank (i.e. 2.2 times this rate, plus 20%), as well as the maximum initial and services fees. Initial fees are capped at 15% of the loan amount (plus value-added tax on the amount) and the service fee is capped at R50 a month for the full loan period for loans under R1 000 (RSA 2004 and Goodwin-Groen 2006:229).

other's business problems. The reciprocal financial and business advice that members of the centre share during the fortnightly meetings is very much part of SEF's methodology. When asked whom they would turn to for needed financial support, most participants preferred to go to a member of their loan group rather than their immediate families (Pronyk 2006:104). The management of the overall performance of SEF, as an institution, is important to SEF. However, according to SEF's mission, the progress of the individual clients is also a key priority. For that reason SEF has institutionalised systems of impact measurement and social performance management, which are discussed in section 4.4.3. However, SEFs unique poverty targeting approach, through the PWR technique, warrants a more in-depth discussion.

#### **4.4.2 The Participatory Wealth Ranking technique**

As noted, when SEF enters a new village, the poorest households are identified through the Participatory Wealth Ranking (PWR) process. PWR is a cost-effective and reliable methodology that draws on decades of participatory appraisals conducted by researchers and development workers, who use it to understand the dynamics of poverty and to collect detailed community information. The PWR technique allows communities to define what constitutes poverty and relative well-being, and then classify households according to their relative levels of poverty. SEF's use of the PWR is highly regarded internationally. The description below of how the technique was adjusted for SEF's needs, and exactly how the process works, draws on several sources (see, for instance, Simanowitz & Nkuna 1998; Barua 1999:3; Simanowitz 2000:12; Baumann 2002:29; Roper 2003:78; Chambers 2005:24; Hargreaves et al. 2004; Simanowitz 2008a:7; MIX 2009a; SEF 2009b:3).

When SEF enters a new village for the first time, the PWR works as follows: first, a community meeting is called. Community members are asked to draw a map of their village (or a section of their village if it is large) and carefully identify all households, shops and community centres. Typically, a village or a section of one will house 50 to 200 households. Mapping is usually done on the ground, with a stick, so that it can easily be corrected. Once mapping is complete and everyone agrees to it, the map is transferred onto paper for a permanent record and the names of the households are recorded on cards. All of this happens on the first day of the PWR process.

The following day, community members are divided into three to five reference groups. The groups meet separately and rank the cards (households) according to their relative wealth. They discuss each household and consider qualitative measures such as food intake, income sources, whether the household has any children in school, the structure of the house and the like. The groups then characterise the households according to “*general statements*” such as “very poor”, “poor, but a bit better off” or “doing OK”. The households are then ranked from the poorest to the most well off, according to the definitions provided. The wealthiest pile (pile 1) receives a score of zero and the poorest pile (pile n) receives a score of 100.

After the wealth ranking process has been completed (when the piles have been made under the “*general statements*”), the participants are asked to describe the characteristics of the households in each of the piles. These descriptions are known as “*pile statements*”, and are divided into themes. For example, the statements “don’t have soup”, “beg for food” and “sleep without food” are all categorised under the theme “food”, and the theme “housing” contains statements such as “mud housing”, “one room” or “no place to sleep”. Many statements are made for every household. Eventually, these pile statements are ordered by placing the statements most often made about the poorest households (with a score of 100) at the top, and those about the wealthiest households (with a score of, for example, 20) at the bottom of the table. Data in the form of “statements” is thus recorded at two stages, first through the “*general statements*” to generate the three or four piles, and then through “*pile statements*” to characterise the piles. All proceedings and results are entered into a database.

Once all households have been ranked, with the poorest household receiving a score of 100 and the “richest” a score of zero, SEF zonal managers select a cut-off point to determine which households are eligible (or poor enough) to join the programme. This cut-off point is based on a table of indicators that represents different poverty levels, compiled from many previous rankings. The poorer the community, the lower (closer to zero) the cut-off score. This is to ensure that more households are eligible for inclusion into SEF’s programme. Those excluded by the cut-off point can have discussions with MFI staff if they feel that they have been wrongly excluded.

A CGAP-funded study conducted in 2001 by the University of Natal (Van de Ruit et al. 2001:39; Van de Ruit & May 2003:27) found that 52% of the Tšhomišano clients were from the poorest third of households in the region and only 9% from the least poor households.

Conversely, in SEFs original programme (which did not identify the poor through PWR), only 15% of the clients were from the poorest third and over 50% from the least poor third of households. This demonstrates that the PWR tool (used only for Tšhomišano clients) does not identify the poorest households. The following section explains SEF's ongoing impact assessment.

#### **4.4.3 Monitoring and evaluation at SEF**

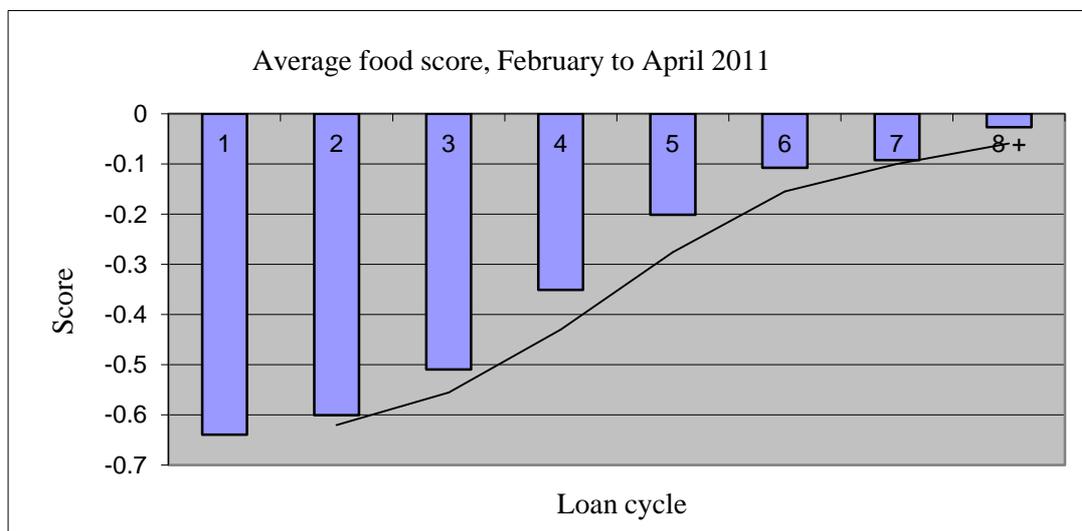
During a 2009 interview, John de Wit, the Chief Executive Officer of SEF, said: "Our biggest challenge is knowing whether we are enabling our clients to improve their lives enough. We have tools to measure if a client's life is improving but is it because of SEF or is it because there were better distributions of social grants in the area or was it because a new mine opened in the area?" (Kolbe 2009:69). SEF's 2009 Annual Report confirms this: "[For] SEF microfinance is about whether people utilise such opportunities to improve the lives of their families and ultimately move out of poverty. Thus SEF is not only concerned about its own operational efficiency and sustainability but whether its work has a positive impact on the lives of those with whom it works" (SEF 2009a:10). During the past few years, SEF has commissioned several studies to evaluate the effectiveness of its monitoring and social performance systems. As a result, SEF is in high demand among international researchers, who visit it to learn about impact monitoring. Several international studies have been published about SEF's unique approach to delivering microfinance and monitoring its impact (Van de Ruit & May 2003; MIX 2004, 2009a & 2009b; M-CRIL 2008; Simanowitz 2008b; Chen et al. 2009). Impact monitoring and social performance measurement are slightly different sides of the same coin. For the sake of simplicity, SEF's ongoing impact monitoring is discussed first, after which social performance is explained.

##### **4.4.3.1 SEF's impact monitoring system**

Impact monitoring is a standard procedure built into SEF's lending methodology. After *every* loan cycle, the development facilitator has a discussion with each client. During this conversation, the client is asked to answer the first two of four questions, which relate to her perception of the quantity and quality of her household's food consumption and her housing asset at that time. The participatory methodology is deliberate; the client is shown pictures from which she selects a happy or sad face to represent scores on a scale from -2 to +2. As an example, food security is an important measure of vulnerability and the very poor often report going to bed hungry. In these impact interviews, the client responds to pictures to

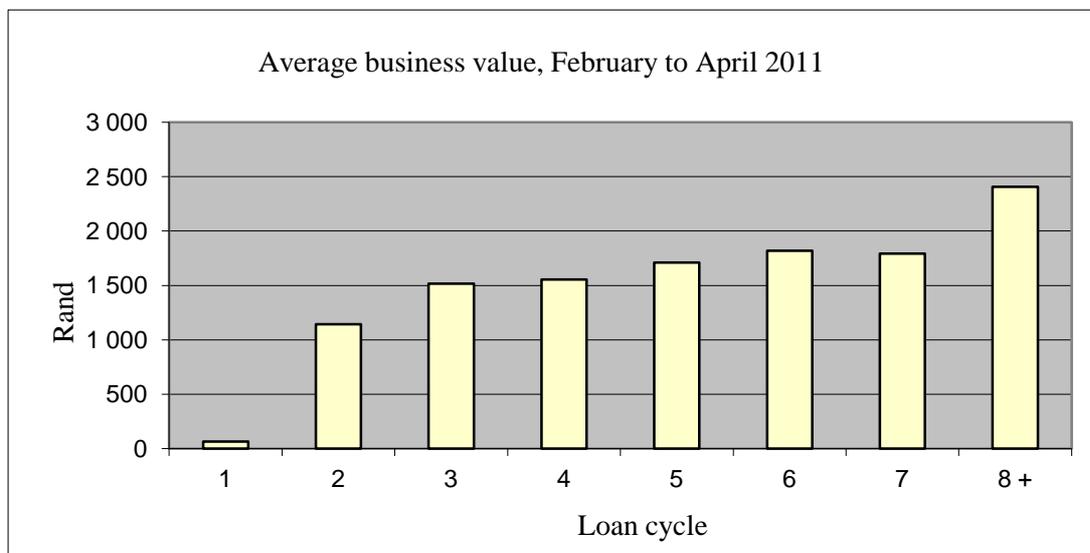
convey her food security and the sad and happier faces relates to her current diet – the very poor tend to eat mainly maize meal, with sauce made of leaves or, occasionally, vegetables, Mopani worms or beans. While meat is seldom on the menu, households that are slightly better off eat a more varied diet, including chicken, fish and bread. The presence of tea, milk and sugar is a proxy for the movement away from poverty (Simanowitz 2000:26). Figure 4.6 shows the summary results of the food score interviews over a period of three months in 2011.

**Figure 4.6: Impact figures showing average “food score” over eight loan cycles**



Note: Food score is on a scale of -2 to +2.

The fieldworker completes the two remaining questions; the first is based on a physical check of the client’s business assets and the second is based on data on the value of the client’s savings. As can be seen from Figure 4.7, large gains are usually made during the first loan but these gains in business value get proportionally smaller in subsequent loan cycles.

**Figure 4.7: Impact figures showing average “business value” over eight loan cycles**

This approach provides for a conversation between the fieldworker and the client after every loan cycle has been completed. The discussion serves to improve the understanding of the client’s progress, and the results are tabulated in quarterly reports to the head office. Year-on-year data collected through these monitoring conversations is disaggregated by loan cycle and shows a positive trend, increasing over the number of loan cycles. The steepest improvement is observed in the two subjective indicators, food and housing. The two less subjective indicators, business value and savings, tend to show greater increases in the initial cycles and then “almost plateau out after the 4<sup>th</sup> and 5<sup>th</sup> cycle” (Tounitsky 2007:23).

The current impact monitoring system, which represents a substantial investment of time by the fieldworkers or development facilitators, basically serves two functions: to facilitate the learning conversation between the development facilitator and the client, and to produce data for the management information system, which can be used to monitor the progress of any client. However, the approach is subjective, costly and time-consuming in relation to the value it adds. For this reason, SEF is currently piloting a new system that separates these functions into two different activities, each contributing to an improved understanding of the client’s aspirations and progress towards them:

- The first is a learning conversation between the development facilitator and client to ensure a full understanding of the client’s aspirations. Each client will have the opportunity to define her own personal goals, which will be noted and monitored in future discussions.

- Second, the progress out of poverty index (PPI), an index developed by Schreiner<sup>69</sup> (2010) and customised for South African circumstances, is currently being piloted in the Burgersfort branch. This index, also known as a “poverty scorecard”, consists of a number of simple, objective indicators<sup>70</sup> that enable the development facilitator to calculate a poverty score for each client (see also Sorenson 2007; Biggar 2009; Chen et al. 2009). The ten questions estimate the likelihood that the particular household has a per capita expenditure below a given poverty line, and can be used to estimate changes in their poverty profile. This information will be collected from all clients on entry and for repeat loans. Poverty scorecards are now widely used in microfinance programmes, and initial research (Biggar 2009:186) suggests that this poverty tool can make a significant contribution to the MFI’s understanding of the poverty level and living conditions of their clients. For instance, the results of a scorecard conducted for AISol, a Mexican MFI, alerted them to two facts: they needed to refocus on rural areas to ensure that the poorest clients joined the programme, and over half of their members were illiterate. They have now introduced additional products and services to focus on literacy (Biggar 2009).

#### 4.4.3.2 SEF’s social performance management

The ongoing impact monitoring essentially captures only selected and subjective movement from a very low base to a slightly better (perceived) base. In addition, SEF needs to monitor, on a continuous basis, whether the poorest and most vulnerable women are succeeding; whether SEF is not, by default, only serving the better off clients; or whether the poor are being indebted rather than empowered. While the impact monitoring happens after every loan cycle, SEF continuously monitors the progress (or not) of every client. Its so-called “social performance management” has key performance areas that are regularly monitored and reported against. Simanowitz (2009:10), who played an important role in developing this system, suggests that MFIs influence their impact through “the design of their products, services and systems, and the day-to-day management of issues such as avoiding over-indebtedness, incentivising outreach to poor and excluded clients, monitoring staff-client

---

<sup>69</sup> Mark Schreiner, who authored *Microfinance risk management*, is acknowledged as the “father” of the PPI. He designed the PPI in 2005, on request of the Grameen Foundation. Both the Grameen Foundation and the Ford Foundation are now funding the ongoing development of additional scorecards. The PPI assists MFIs in generating accurate data on the poverty levels of their clients.

<sup>70</sup> The PPI is a user-friendly tool that is custom-made for every country. For South Africa, Schreiner used the 2005/06 Income and Expenditure surveys to construct the PPI or scorecard. Only the data for African/black and coloured households was used. The Income and Expenditure surveys provide baseline information, and it is therefore possible to estimate, with the ten questions in the scorecard, any changes to the poverty status of clients over time.

relationships”. Over time, this leads to a better understanding of what inputs lead to what outputs, which again guides appropriate design changes. Simanowitz (2008b:8) notes in a recent social performance management review: “When SEF works well, it has the ability to transform people’s lives. However, for an unacceptably large number of people, SEF does not provide a solution to their poverty”. SEF uses at least four key performance indicators to track financial and social performance, the most important being the client exit or dropout rate:<sup>71</sup>

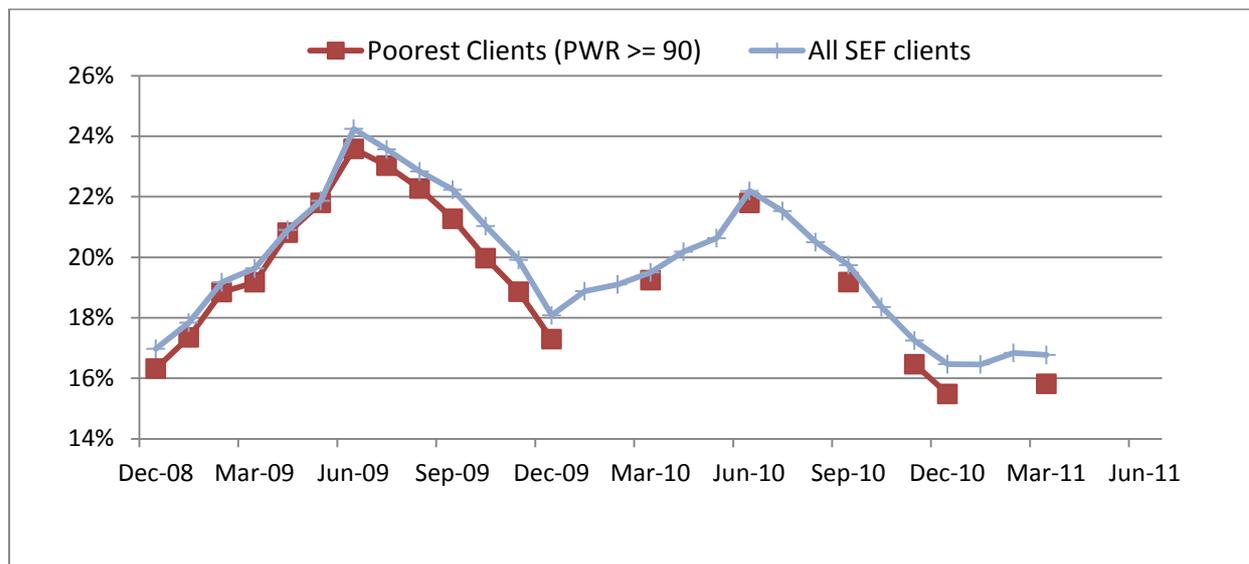
- *Client exit (or dropout)*: Client exit is an important performance indicator, as it reflects client success and has a significant impact on SEF’s financial performance. While SEF targets an 82% retention rate, which translates into a dropout or exit rate of 18%, this is often not achieved. Several internal studies have tracked the reasons for SEF’s high dropout rate.<sup>72</sup> While clients report a wide range of reasons for exit, the root cause is one of two issues: financial problems or the impact of other clients’ problems on the group or centre. The first results from clients’ managing their businesses unsuccessfully (failing to invest loan funds, overbuying stock and using profits for consumption) or external shocks (death, illness, robbery or natural disasters) that incapacitate the client or necessitate the spending of business funds. A 2007 study showed that the second biggest cause (44% of all dropouts) was group conflict. While about 10% of the dropout rate can be attributed to factors beyond SEF’s control, SEF has considerable influence over the other problems experienced by clients. For example, exit data disaggregated by field worker shows a huge variation (between 7% and 40%). Exit is thus a key performance indicator at all levels of the organisation and SEF manages it strictly. Figure 4.8 is one of many social performance figures included as standard information to the governors of SEF, and shows that the exit rates for the poorest clients are slightly lower than the average for all clients.

---

<sup>71</sup> SEF defines dropouts as clients who successfully complete a loan cycle but do not take up another loan within six months. Dropouts are calculated on an adjusted six-month rolling average. The dropout or exit rate indicator is used primarily for monitoring progress, to ensure that clients remain in the system and move higher up the steps. However, from a financial point of view, the dropout indicator is essential – it is extremely costly to identify and introduce a new client to the SEF methodology. If a high percentage of second- or third-cycle clients drop out, SEF loses its established clients.

<sup>72</sup> According to John De Wit, SEF’s dropout rate is not “unusually high”. In a blog discussion on dropouts ([blog.givewell.net/2009/12/21/is-borrowing-good-for-the-borrowers/](http://blog.givewell.net/2009/12/21/is-borrowing-good-for-the-borrowers/)), the weighted average dropout figure is given as 28%.

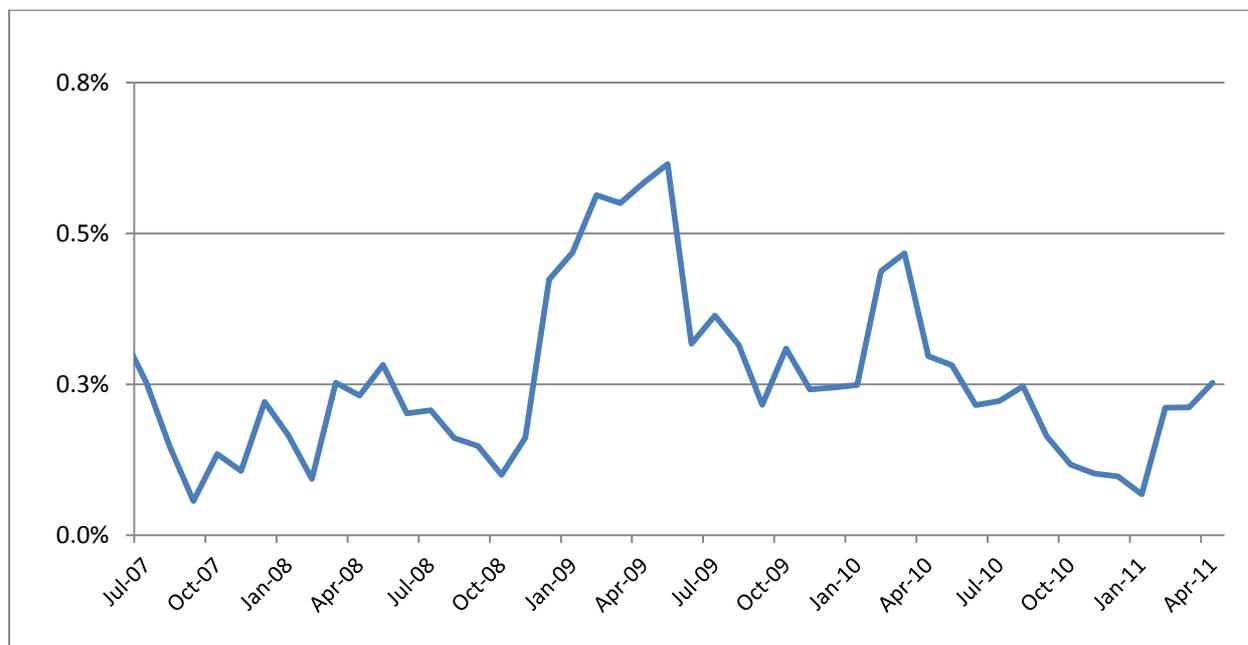
**Figure 4.8: Client exit rates, December 2008 to March 2011, and exit rates for the poorest clients**



Exit rates for the “poorest” are only measured quarterly, and are shown here as red dots.

- *Outreach or growth in numbers and quality:* Outreach is a financial indicator that also provides management with information on the size of the book. In this category, SEF collects information on the number of clients, the average loan size and the portfolio outstanding, and information to calculate a “penetration rate” – a percentage figure that shows what proportion of new clients are among the poorest.
- *Portfolio at risk:* SEF’s percentage of the portfolio at risk (> 30 days)<sup>73</sup> is monitored closely but has not exceeded 0.7% in over ten years. On average, the portfolio at risk is around 0.2% of the total principal outstanding, as shown in Figure 4.9.

<sup>73</sup> Portfolio at risk (PAR) is defined in Footnote 66.

**Figure 4.9: SEF's portfolio at risk (PAR > 30 days), 2007 to 2011 (%)**

- *Vulnerable client progress:* This new indicator segments the progress of the poorest and most vulnerable clients, and allows development facilitators to spend more time with them. The development facilitator visits vulnerable clients, monitors progress and facilitates problem solving. Providing additional support to vulnerable clients makes them more likely to succeed, thereby reducing exit, arrears and problems that are time-consuming or cause conflict in centre meetings. To identify vulnerable clients, SEF reviews data in its management information systems to find individuals with weak businesses, poor savings or poor attendance, or who have been in arrears. The vulnerable client tool enables development facilitators to focus their attention on clients needing the greatest support, reducing the amount of time spent with the majority of clients. Standard information prepared by SEF on a quarterly basis for Board meetings (see, for example, Figure 4.8) contain graphs of all social performance indicators and differentiate between “all SEF clients” and the “the poorest clients” (i.e. those clients with a PWR score over 80) or the most vulnerable clients as defined through management data.

Apart from the four indicators discussed above, SEF also uses other tools to monitor client progress and ensure that they move out of poverty. These tools include the PWR technique (ensuring that the poorest are identified), motivating the poorest clients to join SEF, facilitating problem solving during group meetings, group formation, training and centre

solidarity. Many of these techniques developed incrementally, often to address a specific problem. For instance, while SEF aims to support productive or income-generating activities, some proportion of the loan is likely to be used for consumption. It is, therefore, necessary for SEF to place strong emphasis on the productive use of loans. This is achieved through the following regular initiatives: loan utilisation checks, business evaluation, linking of the loan size to business value, loan supervision and vulnerable client visits. These services ensure that loans are based on an adequate productive return from the business.

While SEF will prioritise “doing good” above “doing well”, it is important to reflect on the financial sustainability of “doing good”. The next section addresses this trade-off.

#### 4.5 FINANCING MICROFINANCE

While SEF’s methodology of delivering microfinance to the poor, described in detail above, is possibly the most important part of its success, it needs to be seen within a financial context. The obvious question remains – at what cost? Or, as some may ask, why not just give the money away or increase the amounts available for social assistance? But the purpose of microfinance, as delivered by SEF and other poverty-focused MFIs worldwide, is to alleviate not only income poverty but also other dimensions of poverty, as well as the vulnerabilities that poverty creates. Chapter 3 reviewed the evidence in the literature on microfinance impact evaluation. Many of these impact evaluations show that microfinance can be used as a tool to alleviate certain dimensions of poverty, especially income poverty. But at what cost do these gains become apparent, and is it possible to do a cost-benefit analysis of microfinance programmes? What can be used as a yardstick?

McKee (2001:5) suggests that the real aim is to maximise the net present poverty reduction value of investing in microfinance versus investing in other poverty alleviation interventions. The easiest way of demonstrating *net present value* would be for a MFI to deliver poverty reduction in a sustainable manner, that is, without subsidies. But then the question arises, does a non-governmental MFI that reaches deep (i.e. targets the very poor) *and* manages to prove impact but fails to reach sustainability score higher than a commercial MFI that operates sustainably by not incurring the same high transaction costs in reaching the poorest? This trade-off between financial sustainability and outreach has long complicated the microfinance debate, and serves to illustrate the complex issues and value judgements that need to be considered when comparing the performance of various microfinance

programmes. Morduch (1998) called it the “microfinance schism”<sup>74</sup> over a decade ago, and this debate between the proponents of the “commercial” versus the “welfarist approach”<sup>75</sup> (who prefer the subsidised/social impact approach) is still raging. Morduch (1998:3) argues that there should always be space for different approaches to microfinance: “evidence suggests that achieving the richness of programs appropriate for broad and changing populations will require a diversity of programmes at varying levels of outreach and financial sustainability”.

SEF’s financial position over the past three years can be used to demonstrate the delicate compromise between achieving financial sustainability and alleviating poverty. SEF is constantly balancing its poverty, growth and sustainability goals. It is important to remember that SEF cannot take deposits and, as such, cannot generate own capital through savings. All of its income is generated through the interest earned on loans; it must use this income or revenue to fund all of the expenses incurred to run its very hands-on operations in four provinces, with almost 400 full-time staff. These challenges notwithstanding, SEF managed to achieve 100% operational self-sufficiency in 2004 and again in 2006 (see Figure 4.3). Despite this achievement, SEF deliberately decided to focus on targeting the poorest and opening more branches in the four provinces where it operates. These operational realities came at a cost, and operational self-sufficiency has had to be placed on the back burner since 2006. As a result, as shown in Figure 4.3, SEF only managed to achieve an operational self-sufficiency rate of 86% in 2009, 88% in 2010 and 95% in 2011.

The operational self-sufficiency rate of 86% in 2009 was due to a combination of factors. Between June 2008 and June 2009, SEF increased the number of branches by 46% (from 26 to 38). It also experienced significantly higher than normal exit rates, reaching an all-time high of 24% in June 2009: the worldwide economic recession of 2008/09 seems to have affected business activity in SEF’s areas of operations. Rather than default, a large percentage of SEF’s clients did not return for the next loan cycle. In addition, another microfinance

---

<sup>74</sup> Jonathan Morduch (1998) wrote an article called *The microfinance schism*, criticising the win-win claims by the commercial or market-based proponents of microfinance. According to these claims, poor households can benefit from access to small loans and the institutions that deliver them can profit while serving the poor.

<sup>75</sup> The commercial approach is also called the “institutionist paradigm” or the “financial systems approach”, with the researchers from the Ohio State University’s Rural Finance Programme acknowledged as its main proponents. In contrast to the institutionists, the “welfarists” argue that MFIs can achieve sustainability without achieving financial self-sufficiency. This, they say, occurs if donations or subsidies are seen as a form of equity. Welfarists place much more weight on the depth of outreach relative to the so-called breadth of outreach. The latter emphasises the number of clients reached rather than the depth of their poverty.

institution discussed earlier, the WDB, expanded aggressively in SEF's area of operation during the same period. The 88% operational self-sufficiency rate achieved in 2010 was mainly the result of smaller loan sizes (see Figure 4.2). Normally, the loan size grows by 10% per year but, in the 2009/10 financial year, the average loan size did not grow, mainly because management placed a ceiling on loan sizes to protect clients from over-indebtedness. The WDB's expansion in SEF's area of operations resulted in many of SEF's clients taking loans from both organisations. More conservative loan policies were introduced in the affected branches, with the result that budgeted loan size as well as interest income declined. In June 2011, SEF's operational self-sufficiency rate increased to 95%. This was as a result of loan sizes adjusting back to normal levels in the 2010/11 financial year, which in turn, resulted in higher interest income.

It could be argued that SEF is running a normal banking business, albeit within the constraints of not being able to generate own capital through savings. However, as discussed in section 4.4, SEF does not view access to finance as its key deliverable. It does, indeed, rely on loans to achieve its ultimate goal (i.e. the elimination of the poverty of the poor and the very poor) but has always incurred significant costs to ensure that clients use their loans to improve their livelihoods and strengthen their ability to negotiate intra-household and market dynamics. Chapters 8 and 9 analyse client-level data, sourced over a multi-year period, for evidence in support of SEF's aim that access to loan finance empowers their clients and improves their livelihoods.

#### 4.6 MICROFINANCE IN SOUTH AFRICA

SEF aims to reach 100% operational self-sufficiency in June 2012 and would be the first MFI in the country to achieve that at scale. While SEF is, admittedly, one of only a handful of microfinance institutions, the South African microfinance scene is actually characterised by a diverse range of programmes providing access to microfinance to the poor and the unbanked. With minimal government interference, the microfinance sector has grown incrementally and caters for both the so-called commercial approach to microfinance (such as initiatives by several commercial banks to "reach down" or "include" the "unbanked") and the non-governmental approach focusing on poverty alleviation and reaching the poorest. On the commercial side, ABSA recently created a new division called "inclusive banking" and is "aggressively moving into this market" (Coetzee et al. 2010:14) and Standard Bank is also

designing products for a significant expansion into microenterprise loan finance. The largest exposure of the commercial sector is, however, through the Mzansi accounts. After the Postbank, ABSA has the largest Mzansi portfolio, followed by FNB. While the big four commercial banks are “building an inclusive market” (Coetzee et al. 2010:3), it is the alternative commercial banks, such as Capitec, African Bank, WIZZIT Bank and the Postbank, that are making inroads into loan finance for smaller enterprises. In 2009, Capitec had 3.5 million active loans, at an average loan size of R913, while African Bank had 2.2 million active clients and an average loan size of R7 203. These differ from the loans available through MFIs such as SEF, Marang and the WDB, in that they are individual, urban-based loans.

In the South African context, the many approaches to microfinance operate side-by-side and complement one another. The poverty-focused versus the commercial approach to microfinance is not a concern in the South African microfinance environment, since they serve different markets. The aims and objectives of the mainstream and the alternative commercial approaches differ in principle from those of the handful of poverty-focused MFIs. Coetzee (2010:3) reports that, despite significant legislation (such as the recent National Credit Act and the Cooperative Banks Act), the Financial Charter (resulting in the Mzansi initiative) and extensive institutional support (through Khula, the South African Micro-Finance Apex Fund (SAMAF) and the National Youth Development Agency), only 60% of South African adults were “banked”<sup>76</sup> in 2009. However, while financial inclusion is an important target for the South African financial sector, there is no direct relationship between being “banked” and poverty being reduced, neither do the commercial lenders monitor such impact. Only a few of South Africa’s poverty-focused MFIs deliver loan finance and facilitate savings to assist the poor and the poorest in engaging in income-generating or productive activities to improve their well-being. While financial sustainability is a desired and possible outcome for these MFIs, the fact that they are not allowed to take deposits makes it difficult for them to generate own capital. The commercial approaches to microfinance view profit as a prerequisite for success, and their deposit-taking ability, client profile and urban focus make this a real possibility. Consequently, taking into consideration the divergent goals and operating systems of the commercial versus the poverty-orientated

---

<sup>76</sup> The FinScope annual surveys provide excellent financial penetration data ([www.finscope.co.za](http://www.finscope.co.za)). FinScope defines the “banked” population as adults with access to one or more financial services, such as savings, transactions, credit and insurance products and services from a formal financial institution.

initiatives, it is not useful to compare or contrast these methodologies in the South African context.

#### 4.7 CONCLUSION

SEF aims to work towards the elimination of poverty and unemployment in a sustainable manner by providing credit for self-employment and by facilitating saving by its clients. SEF continuously monitors whether it serves the “right” clients (targeting) and whether these clients use the loans to improve their livelihoods (tracking). SEF also checks that the clients, over time, experience a visible reduction in poverty (social impact). This chapter provided an overview of this targeting, tracking and social impact performance, as measured by SEF.

Almost 20 years old and with just fewer than 75 000 clients, SEF is an established and highly regarded African-based MFI. Its determination to target the poorest and assist them in moving away from their vulnerable position, one step at a time, has met with criticism from those who believe that financial independence is the only way to ensure outreach and sustainability. However, SEF has demonstrated over the past two decades that it is possible to reach the very poor with loan finance and additional support services, without perpetual dependence on subsidies. In fact, since 2004, SEF’s financial self-sufficiency has never dropped below 86%, implying only limited dependence on subsidies. SEF has a place in the South African microfinance industry, and contributes to the point that Morduch (1998) made: the evidence suggests that “a diversity of programmes at varying levels of outreach and financial sustainability” is required for a broad and changing population.



## CHAPTER 5: RURAL POVERTY ALLEVIATION: A CONCEPTUAL FRAMEWORK

### 5.1 INTRODUCTION

Chapter 2 reviewed the international and local literature on poverty to contextualise the multidimensional nature of the poverty experience in South Africa. It showed that women in South Africa's rural areas are very poor in money-metric terms and, at the same time, vulnerable in terms of several other dimensions of poverty. The development challenge presented by the millions of very poor rural women and the households they represent is complex, as are the interventions required. Chapters 3 and 4 presented international and local evidence on microfinance as one possible intervention to alleviate rural poverty.

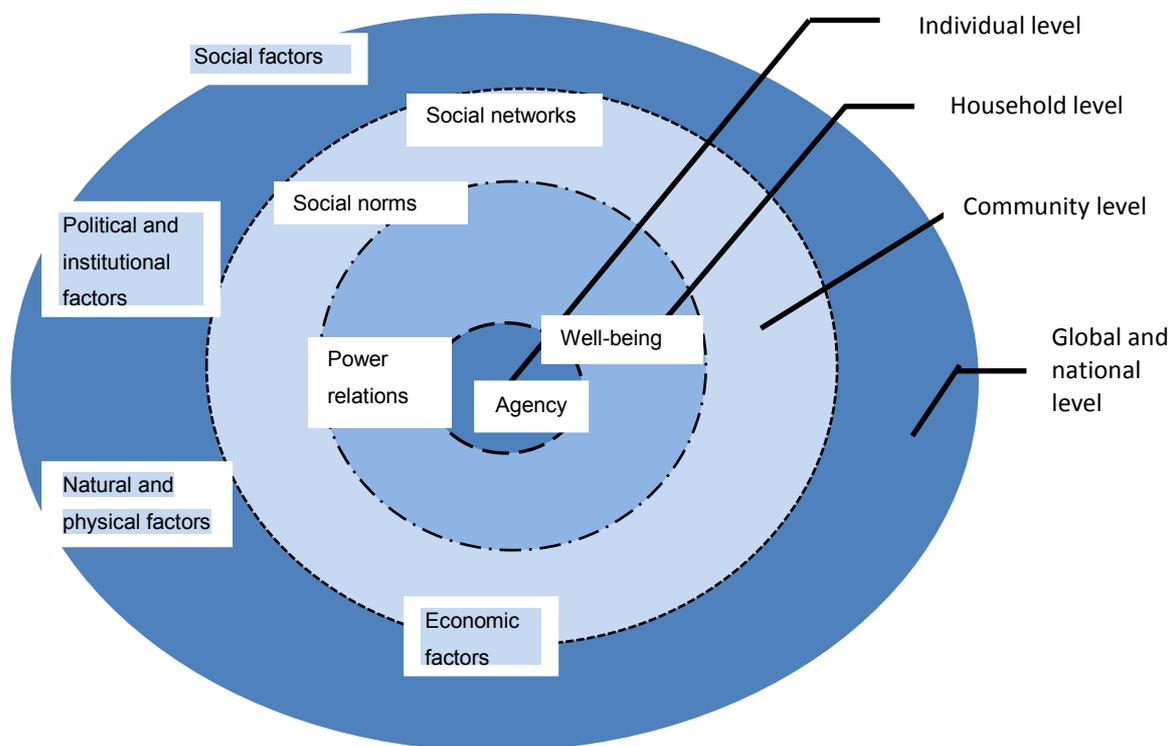
This chapter develops a conceptual framework to measure the outcome of microfinance in the lives of the clients and, in particular, its effect on the economic well-being and empowerment of women. The framework is based on the theory of multidimensional poverty, the livelihood approach to poverty alleviation, research on women and gender empowerment, and lessons from international evidence-based research. The conceptual framework developed in this chapter is used, from Chapter 7 to Chapter 9, to evaluate the impact of microfinance on changes in the empowerment and economic well-being of women. The framework provides a lens through which the data (described in Chapter 6) can be assessed, analysed and interpreted.

### 5.2 POVERTY IN CONTEXT

Increasingly, researchers are using conceptual frameworks to understand, describe and analyse the interplay of personal and household dynamics within the external environment (see, for instance, Moser 1998 & 2006; Mosedale 2005; Kakwani & Silber 2008). This approach acknowledges that the context within which poverty is experienced is complex, and depends on the historical causes and the culture, values and beliefs of a particular society. The poverty status of a household (e.g. the accumulation and depletion of assets, both financial and human) is often examined in isolation of the "bigger picture". However, according to Francis (2006:2), "over the longer term, poverty is (also) determined by ... initial conditions, the impact of repeated shocks and asymmetries and non-reversibilities in

households' welfare trajectories and the impact of economy-wide secular trends". While the focus of this study is on the individual and the household level, they clearly do not exist in a vacuum; therefore, this conceptual framework starts with a holistic interpretation of the problem. Households (and the individuals in them) behave within a bigger context, influenced by the external environment at a local or community level, at a national level and at a global level. It is important to understand the processes linking poverty at the local level with the environment at a regional and a national level. This framework is best represented visually, as a series of concentric circles, as in Figure 5.1. The concentric circles locate the individual or the household within a larger social system, comprising many interrelated and dynamic parts. Together, these circles constitute the "environment". Interactions occur between the different elements of the environment (institutions, households and individuals) and these actions and activities lead to outcomes.

**Figure 5.1: The external environment**



Source: Own presentation, adapted from Pronyk (2002).

The outer circle in the figure represents the global and national level, the next circle the community and the two inner circles first the household and then the individual within the

household. All these levels influence each other; in fact, it is useful to view the “boundaries” between the levels as permeable, the better to convey the constant process of influence. The activities and livelihoods that take place in the inner circles are affected by factors in the outer circles. For purposes of this explanation, these factors are grouped into:

- Political (and institutional) issues;
- Social context;
- Economic climate; and
- Physical environment (infrastructure and natural resource endowments).

*Political or institutional factors* speak to power, rights and perceptions. History shapes this context. In South Africa, apartheid contributed to creating a society in which few had access to power, resulting in extreme inequality in the distribution of productive assets – human, social and physical. While rights have been restored, the legacy remains and is reproduced within communities and transferred across generations. With the focus on the poor individual and household, it is clear that the *social context* is also a legacy of the discriminatory apartheid policies. Marginalisation is seen in the continued existence of an underclass, characterised by illiteracy, low skill levels, resulting unemployment, geographical marginalisation and limited access to services and shelter. Some of these multiple deprivations are *economic* in nature, such as the lack of income, limited livelihood choices and dependency on welfare. However, the economic context also relates to market opportunities, the economic climate, the ability of the economy to create jobs, access to opportunities and transaction costs. Furthermore, the distribution of human, financial and social assets is of importance here, and obviously has implications for the distribution of income, wealth and power. Lastly, the natural and *physical environment* is also part of the context, and can include infrastructure, institutions and services. It influences all levels and, again, derives primarily from the country’s history. The physical environment could also include distance, which affects connectedness and (transaction) costs. Together, these conditions can lead to a low density of economic activity and high transaction costs for the individual or the household, since it is “expensive” to “contract” or transact.

Most importantly, the South African environment or context is dominated by past policies. Despite 17 years of democracy, equal rights and efforts towards pro-poor spending, the legacy is still overwhelming. Rural households, and especially the women and children in

them, still carry the heaviest burden. The ability of individuals or households to convert or translate their capabilities into achievements or income is dependent on and shaped by all of the above dynamics. Different research disciplines emphasise different components of the individual's or household's behaviour, depending on whether the point of departure of the particular research is economic, sociological, anthropological or legal (see, for instance, Hulme & McKay 2005:5; Mosedale 2005:248; Epstein & Crane 2006:12; Francis 2006:2; Dorward & Omamo 2009:105). For example, the factors influencing the *individual's* ability to gain access to assets and translate these assets into income "are shaped by the workings of the labour and product markets, by their access to skills, information and social networks, by norms governing resource use within and beyond the household and by gendered power relations, again within and beyond households" (Francis 2006:22).

People or *individuals* are at the centre of the framework and, at an individual level, agency is the most important factor. Agency reflects the individual's ability and autonomy in decision-making, determined by his or her own level of self-esteem, self-confidence, perceived control over the environment and dignity (Rowlands 1997:15). In this respect, there is increasing evidence that empowering individuals primarily requires strengthening their access to resources and building individual agency to use these resources, make decisions and lead groups.

At a *household level*, two factors can be highlighted: first, household well-being, which reflects the absolute and relative availability of resources and the ability of the household to use these resources to meet basic needs. The second is power relations in terms of household decision-making and control over resources. These intra-household dynamics, as well as the communication between household members and outside the household, contribute to the household environment. Chapter 2, section 2.5.3 relates to intra-household dynamics, and indicates how, for example, the gender of the social grant recipient affects the use of the grant money.

At the *community level*, social norms, networks and relationships come into play. Social networks include membership of community groups and institutions. Relationships between groups and individuals dictate the level of social cohesion, inclusion and social capital. These "assets" determine the extent to which mutual aid, trust, reciprocity and resources are available between or among groups. For example, the Grameen Bank uses a methodology

based on peer or solidarity groups to transfer part of the risk of loan repayments to group members. These peer groups offset the need for conventional collateral and create cooperation, trust and resilience within the self-selected group. However, all social networks operate within the abovementioned environment, against the backdrop of the country's socio-economic, political and cultural history. Social norms represent an evolving common understanding of issues such as gender. Mosedale (2005:244) makes the point that a woman's level of empowerment can differ according to criteria such as "her class or caste, ethnicity, relative wealth, age, family position, etc. and any analysis of women's power or lack of it must appreciate these other contributory dimensions."

### 5.3 RECONCILING LIVELIHOOD, VULNERABILITY AND THE THEORY OF WOMEN'S EMPOWERMENT

From the literature on multidimensional household poverty discussed in Chapter 2 (Klasen 1997 & 2000; May & Norton 1997; Moser 1998; Carter & May 1999; Hulme & McKay 2005; Alkire & Santos 2010; Leibbrandt et al. 2010b; May 2010), it is clear that a wide lens on poverty is required in order to capture deprivation in full. Consequently, several poverty-focused conceptual frameworks have been developed since the mid-1990s. These frameworks often use similar or related concepts, such as livelihoods, capabilities, assets and vulnerability (see, for instance, DFID 2000; Adato et al. 2004; Francis 2006; Moser 2006). Not only is the terminology of these different approaches related, it gets even more confusing when the recommended poverty strategies overlap. Moser (2006:4) suggests that "unravelling similarities and differences are complex but particularly important from the standpoint of prescription". The conceptual framework developed in this chapter reconciles three approaches to understanding and analysing poverty: the livelihood framework, readings from the vulnerability theory and empowerment literature. These three development disciplines are briefly recapped below and modified to inform the conceptual framework.

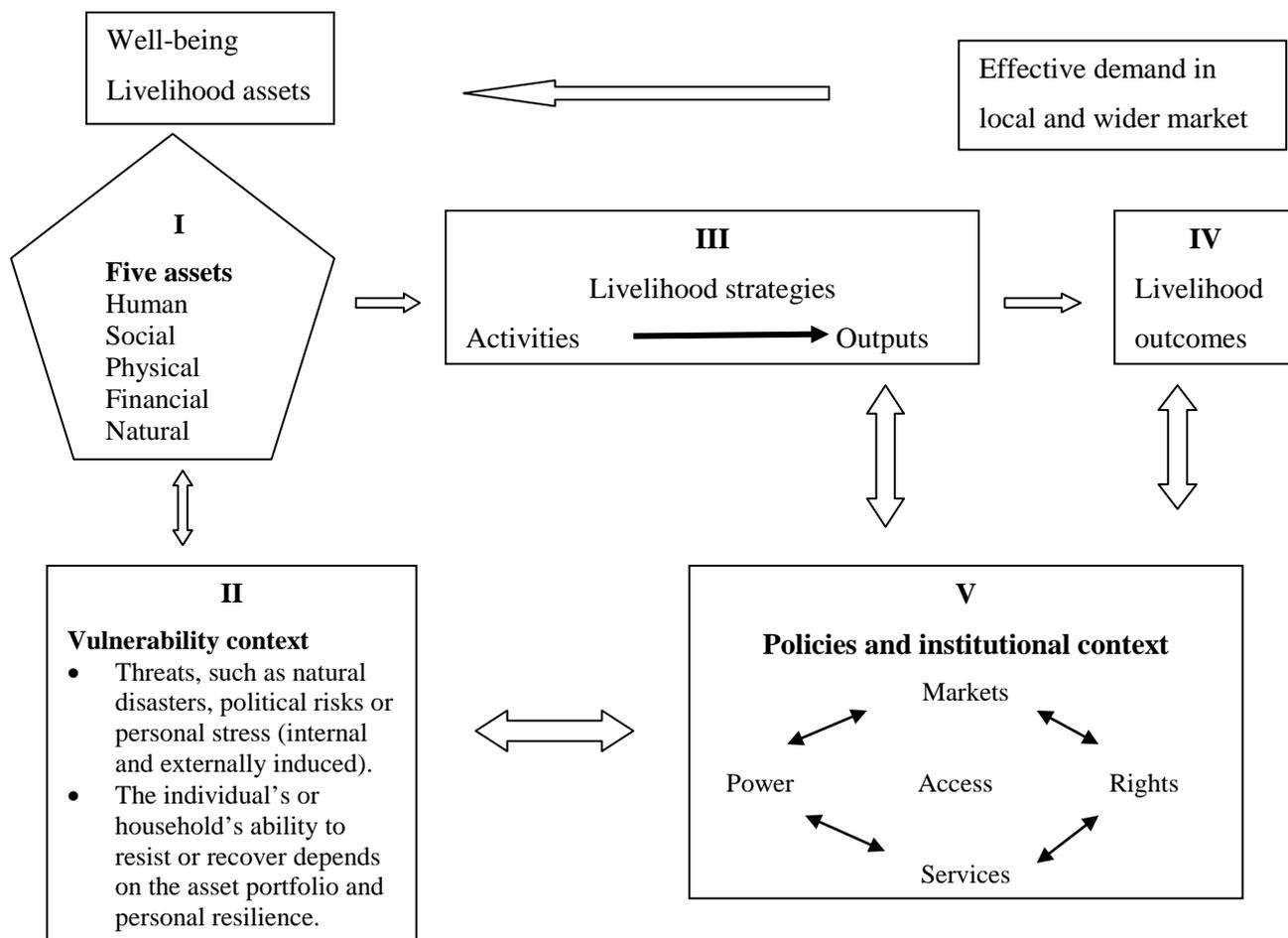
#### 5.3.1 Livelihood frameworks

Within the external environment described above, poor people, and their households, survive. According to the concept of livelihoods, they do so by constructing livelihoods from a portfolio of "assets" or "resources". This notion of livelihoods maintains that people construct their daily lives from a potential portfolio of assets, which could consist of a combination of human, financial, natural, social and physical assets (see Figure 5.2, Box I).

The ability of individuals to construct livelihoods from these assets depends on their “vulnerability context” (Box II). The livelihood approach is sensitive to this vulnerability context of being open to shocks, deprived of assets and capabilities, or disempowered. The livelihood approach provides tools to document and compare the relative contribution of different interventions (actions) towards progress or outcomes, whether this progress speaks to the “capacity to deal with risks”, or resilience, or the security of the livelihoods. In addition, the livelihood framework is grounded in the capabilities approach of Sen and can be used to identify dimensions of deprivation beyond just income poverty. Sen’s capabilities framework suggests that the availability of consumption commodities (i.e. income) is not enough, since individuals differ in their ability to translate these commodities into achievements. In fact, several environmental, social, household and personal factors (discussed in section 5.2) determine the ability of individuals to utilise any given set of commodities. The environment within which individuals or households operate determines their ability to use different commodities to achieve outputs.

The livelihood framework, originally defined by Chambers and Conway (1992), remains the most practical and simple way of conceptualising how households derive, allocate and use their livelihoods. Chambers & Conway (1992:9) defines a livelihood as follows: “a livelihood comprises the *capabilities, assets and activities* required for a means of living”. A livelihood is sustainable “when it can cope with and recover from stresses and shocks, maintain or enhance its capabilities and assets, while not undermining the natural resource base” (Scoones 1998:5). While conventional approaches to poverty emphasise the lack of income and consumption (i.e. a monetary bias), the livelihood analysis puts the spotlight not on what people lack but rather on how they cope and survive. In this way, the livelihood approach corresponds to the participatory approach. It acknowledges that all households have a variety of *capabilities* that they can draw on to utilise a range of *assets* (both social and material) and develop *activities* to meet their livelihood objectives. Households are more secure if they have a wide or diverse range of livelihood strategies and their capability and asset base are bigger.

**Figure 5.2: Sustainable livelihoods framework**



Source: Adjusted from Dorward et al. (2003).

For researchers, this is a useful approach, since it allows them to see how poor people use their capabilities (or human capital) to convert social and material assets into activities that produce certain livelihood outcomes (Figure 5.2, Boxes III & IV). These can be any selected outcomes, and can include indicators of income or well-being. Livelihood frameworks are useful for analysis, since they are concerned with linkages. They enable researchers to “identify (and value) what people are already doing to cope with risk and uncertainty; make the connections between factors that constrain or enhance their livelihoods on the one hand, and policies and institutions in the wider environment; and identify measures that can strengthen assets, enhance capabilities and reduce vulnerabilities” (De Satgé et al. 2002:4); see Box V. For instance, the context of high vulnerability of many poor South Africans reduces the assets available to households. As an example, Steinberg et al. (2002:3) indicate

that households coping with a member who has AIDS “were reducing spending on necessities ... clothing (21%), electricity (16%) and other services (9%).”

Many versions of the livelihood framework exist, stemming mostly from early development theory. These include integrated rural development planning, food security initiatives and rural appraisal techniques. The original Chambers and Conway definition of livelihoods – “the *capabilities, assets and activities* required for a means of living” – was modified by the United Kingdom’s Department for International Development (DFID) in 1999, while many other international non-governmental organisations attempted their own interpretation of the original definition. For example, CARE bases its framework on the Chambers definition (retaining the focus on capabilities, assets and activities), while Oxfam’s definition relates more to that of DFID. The UNDP, in turn, also draws on the DFID approach and emphasises people’s strengths rather than their needs. According to DFID, a livelihood consists of five forms of “capital” – human, social, natural, financial and physical.

While the livelihood framework allows one to move beyond a pure focus on assets and income to include other resources, as well as the relationship between them, the critique of livelihood and asset-based approaches relates to the fact that these approaches are often limited to “measureable” assets or capital. This is why the women’s empowerment and vulnerability theories are also consulted, since these disciplines capture the qualitative dimensions of well-being better.

### **5.3.2 Vulnerability**

Moser (2006) views vulnerability as a dynamic concept and poverty as a static concept. Poverty measures are often fixed in time but, in contrast, vulnerability captures the change in people’s poverty status as “people move in and out of poverty” (Moser 1998:3). She sees vulnerability as the result or outcome of exposure to risk. It results in declining well-being. The livelihood literature defines vulnerability in terms of the risk of becoming poor (Carter & May 1999 & 2001). This literature suggests that assets are the most important policy intervention to buffer against vulnerability. The level of vulnerability of individuals or households depends on the assets they own, manage or control. Moser (1998:1) suggests that the poor are “managers of complex asset portfolios”. She indicates that the ability of the poor to avoid or reduce vulnerability “depends not only on initial assets, but also the capacity to

manage them – to transform them into income, food or other basic necessities”. This “ability” also refers to the resilience of the poor to resist or recover from risks, shocks and stress; the means of resistance are the assets and entitlements “that individuals, households, or communities can mobilise and manage in the face of hardship” (Moser 1998:3). These can include any or all of the five types of assets or resources defined by DFID – human, natural, physical, financial and social assets. This important relationship between vulnerability and asset ownership is well documented (see, for instance, Sen 1981; Swift 1989; Maxwell and Smith 1992; Longhurst 1994; Moser 1998) but, for purposes of this study, the definition of Swift (1989:13) is useful. He views vulnerability as a function of assets, and distinguishes between three different types of assets: *investments* (in human capital, through education and health, and in physical capital, such as housing and land), *stores* (referring to access to food and money) and *claims* (on the assistance and support of others, through networks and membership of social groups). All of these assets can serve as a buffer against vulnerability. Sherraden (1991) further distinguishes between the *stock* of assets that the household controls, and income, which refers to the *flow* of income and consumption. The Ford Foundation’s Asset Building and Community Development Program is designed to move the focus from the welfare approach – which focuses on flows of income and consumption – to stocks. They believe that, when poor people gain control over assets, “they gain the independence necessary to resist oppression, pursue productive livelihoods and confront injustice” (Ford Foundation 2004).

Again, the research by Steinberg et al. (2002) shows that households that are not only poor but also suffer from HIV and AIDS first reduce their spending on clothes, then on electricity and then on other services, until a third of their income is allocated to health-related costs. Chambers (2006) defines vulnerability as “the exposure to contingencies and stress and difficulty in coping with them”, and recognises both an internal and an external aspect to vulnerability. Internally, it refers to an individual’s defencelessness or a lack of means to cope with loss. Externally, it refers to the exposure to shocks, risks and stressors that the individual or the household experiences. Access to assets can reduce vulnerability, since it strengthens the ability of a poor individual to deal with risks. The main difference between an asset accumulation approach and other poverty approaches is “its direct focus on creating opportunities for the poor to accumulate and consolidate their assets in a sustainable way” (Moser 2006:5). The asset-based approach to vulnerability identifies asset accumulation as a *precondition* for empowerment, particularly economic empowerment. Moser (2006:5) feels

that, in this sense, “empowerment is the outcome, rather than the means of poverty reduction”.

Figure 5.2 reflects the interaction between assets (Box I) and the many different forces that determine how assets contribute towards livelihood outcomes. The vulnerability context (Box II) can deplete assets, and the policy and institutional context (Box V) can either support and enhance the asset stock of individuals or households and their ability to translate it into livelihood outcomes (Box IV), or it can, over time, serve to drain such resources.

### 5.3.3 Empowerment

#### *Individual level*

At the *individual level*, agency, or the capacity for free and independent decision-making, is the most important attribute an individual can have in the fight against vulnerability to poverty. In the inner circle in Figure 5.1, this boils down to individual agency, which is determined by several factors, best represented in the livelihood framework as *human capital*. However, Rowlands (1997:15) argues that such individual agency (empowerment at the individual level, or as Mosedale (2005) terms it, “power *within*”) is dependent upon a number of elements, including opportunities outside the home, being part of a group, literacy, and the like. Simultaneously, inhibiting factors include machismo, opposition from a partner, and poverty. Rowlands (1997) argues that “empowerment is a process; it involves moving from insight into action”. Kabeer (1999:437) corroborates this point by suggesting that “empowerment ... refers to the process by which those who have been denied the ability to make strategic life choices acquire such ability”. These strategic life choices include decisions such as the preferred livelihood, whether and who to marry, or whether to have children. According to Kabeer (1999:437), the ability to exercise such important choices is dependent upon three elements – agency, resources and achievement. Agency refers to an individual’s internal qualities, such as self-confidence and critical thinking skills. Resources are not only human but also include material and social resources (or assets), while achievement relates back to the livelihood framework, that is, how all the assets are applied towards achievement or how activities are translated into outputs (see Figure 5.2).

If human capital is an important input into achieving individual agency or “power within”, how is human capital achieved? Human capital depends on the level of education of

individuals, their health and nutrition, and even the level of basic services they have access to. For instance, when individuals or households are exposed to service deficiencies (in either the quality or the availability of the services), there will be less time to mobilise their labour. As an example, when women need to allocate time to fetching water, they have less time for productive activities. In fact, Klasen (2000) and Clark and Qizilbash (2005) list access to water and shelter as components of basic human capability.

#### *Household level*

The empowerment theory is, primarily, interested in how women achieve individual empowerment or “power within”. But what happens at the *household level*? At this level, two main factors influence – and are influenced by – individual agency. These are, first, the *well-being* of the household, referring specifically to the availability of resources. Resources include *financial or physical assets* and the ability of the household to use these assets to meet its basic needs. The second relates to the relationships within the household, often referred to as *intra-household power dynamics*. The nature of these power dynamics determines decision-making and the allocation of resources within the household. Chapter 2, section 2.5.3 indicates that bargaining power is determined by four variables, which together represent the livelihood dimensions – human capital, social capital, and physical and financial capital (Quisumbing 2003:24). At the household level, it is useful to refer to “power to”, as used by Mosedale (2005:250), to explain the different levels of power. “Power to” refers to the power to make decisions, contribute to the household and influence partner relationships. However, “power to” is always dependent on the “power within” at the individual level.

#### *Community level*

At the *community level*, social networks, social norms and relationships all work together to determine the *social capital* of the individual or the extent to which there is a sense of solidarity in relation to all levels of trust, reciprocity, mutual aid and resource flows. Both Stromquist (1995:14) and Agarwal (2001:7) relate the concept of empowerment to the ability of women to function collectively. This third level of Mosedale’s power framework, “power with”, refers to collective action, the communal dimension and solidarity. Kim et al. (2007:1796) maintain that most approaches to measuring women’s empowerment “recognize a dynamic interplay between gaining internal skills and overcoming external barriers”. However, equally true is that “economically marginalized people tend to be socially

marginalized as well, so that they are disadvantaged with respect to both resources and power” (Kanbur & Squire 2001:206). Moser (1998:13) comments that “the permanence of social capital cannot be taken for granted. When households are coping, they support others. But when their assets are depleted, they cease to support the community.”

#### 5.4 THE DYNAMIC NATURE OF MULTIDIMENSIONAL POVERTY

According to Hulme and McKay (2005:12) and Clark and Hulme (2005:2), it is also important to consider the *durational* aspect of multidimensional poverty. Francis (2006:2) quotes Baulch and Hoddinott (2000), who suggest that “poverty in one year varies in response to asset endowments, the household’s perception of returns to these assets, idiosyncratic and covariant shocks, and mapping between income and consumption”. Hulme and McKay (2005) accept that most measures of chronic poverty remain excessively focused on narrow monetary measures derived from household panel datasets. This is of particular concern given “the weakness of income/consumption measures for tracking poverty duration” (2005:1). They view such monetary measures of well-being as an insufficient measure for poverty since “these indicators relate to the means to achieve ultimate ends rather than the ends in themselves” (Hulme & McKay 2005:5). Francis (2006:2) distinguishes between transitory poverty, which may be due to “an inability to cope with shocks”, and chronic poverty, which “may be due to a low endowment of assets and a lack of ability to translate these assets into income”.

As reported in Chapter 2, research confirms a limited correlation between income and measures of well-being (see, for instance, SALDRU 1995; Klasen 1997 & 2000; Carter & May 2001; Clark & Qizilbash 2002 & 2005; Qizilbash 2002; Hulme & McKay 2005; Argent et al. 2009; Sartorius 2009). In line with the livelihood framework, asset ownership offers an alternative approach to measuring multidimensional poverty *over time*. But even asset ownership might not be a sufficient measure of chronic poverty, and assets are also insufficiently linked to ultimate ends. Cohen and Sebstad (2000:110) acknowledge the time component of poverty, indicating that households move in and out of certain dimensions of poverty over time. This can happen if individuals or households change their mix of assets, or gain or lose assets. This time dimension is also employed in Oluoch-Kosura et al.’s (2004) useful metaphor of a dynamic poverty continuum, illustrating how an individual can find her path along the continuum and out of poverty. According to Oluoch-Kosura et al. (2004:2), the

poverty continuum is dynamic, and it matters “who climbs above it, descends below or oscillates around it”. The suggested “policy mix” needs to understand the peculiar dynamics of the particular households or communities, even though, for descriptive purposes, a linear progress from destitution to well-being can be presented. Kanbur and Squire (2001:199) state that “the lives of the poor are ringed with a tangle of vicious circles, with the virtuous circles just out of reach”.

Hulme and McKay call for the many different components of the basic needs and human development approaches to be combined in an effort to inform movement away from poverty *over time*. They review the wide range of work done by Sen (1984, 1985 & 1999), Nussbaum (1995 & 2000), Saith (2001), Clark and Qizilbash (2002), Alkire (2007) and Alkire and Santos (2010) and conclude that these authors’ lists of the dimensions of human development overlap significantly. They all agree that there are several dimensions of human development, and focus on the achievement of the ultimate end (human development), rather than on the means to achieve it. Furthermore, they allow for participatory processes in the identification of the dimensions. Very few of these approaches have, however, attempted to introduce time dimensions into their so-called capabilities approach. Clark and Hulme (2005:17) mention that capability theorists are starting to recognise that time is an explicit feature in the analysis of poverty and well-being. They quote Comim (2005), who suggests that “time is a central element in the objective assessments that individuals make about their lives, in the criteria that individuals choose to evaluate their well-being, and in their sense of agency and autonomy”.

It is interesting to note that, of the limited number of attempts to measure multidimensional poverty over time, many are based on empirical research conducted in South Africa. Four of these studies are discussed in Chapter 2 (Klasen 1997 & 2000; Carter & May 1999; Clark & Qizilbash 2002; Qizilbash 2002); they measure income poverty and selected other indicators of poverty, or changes in these indicators over time, in specific South African locations. The South African evidence-based research studies offer a number of pointers for informing this conceptual framework. They demonstrate that the (minimum) set of capabilities or dimensions required to “get by”, or avoid poverty, can be set by the poor themselves and does not need to be based on intuition or authoritative judgement. In fact, Hulme and McKay (2005:31) confirm the finding of Clark and Qizilbash’s (2005) in this regard and point out that “most of the parameters set by poor South Africans are not dissimilar to the human

development lists produced by theorists”. This is in line with Rojas (2008:1079), who states that a person’s well-being is subjective, “it refers to the experience of being well” and that each person has “the authority to assess his/her well-being”.

This dynamic nature of poverty or vulnerability is also a function of the external environment: the poor are subject, according to Wood and Salway (2000:x), to a “set of conditions that leave them constantly vulnerable”. Dorward et al. (2003:321) indicate that livelihood thinking often fails to consider the role of markets sufficiently. They argue that it is essential to consider the influence of the wider market within which individuals and households operate or within which actors act. After all, when there is no demand for a service or a product, is there an entitlement? Dorward et al. (2003:323) emphasise that “actors, particularly those with little power or financial and social capital, thus face high costs in accessing information and property rights enforcement, and this in turn constrains access to markets, market development and hence economic and technological development”. This vulnerable position can lead to a “low-level equilibrium trap” where the level of economic activity is low, markets are thin and transaction costs and risks are high. Importantly, the reference to “markets” here does not necessarily imply competitive markets; it instead refers to the workings of bottom-up non-market organisations<sup>77</sup> (Dorward et al. 2003:325).

Considering this “market” within which the activities happen, and focusing specifically on the rural economy, it is well known that the poor often engage in activities with low barriers of entry (e.g. cash crops, crafts, mining and selling). The poor have little power and influence. Their limited power is a function of their capabilities or attributes, such as their access to information, their access to social and human capital, and their ability to bargain (which could, in turn, depend on their physical asset base). All these have implications for the (transaction) cost of the activity. The results are low levels of economic activity and high unit costs, or a form of market failure. What support is required to assist the actors in breaking out of this “trap” and finding a *path* that better links them to the market?

## 5.5 OPERATIONALISING THE FRAMEWORK

From the livelihoods, vulnerability and empowerment literature, guidance for the selection of meaningful and measurable dimensions, along with their indicators, determinants or proxies,

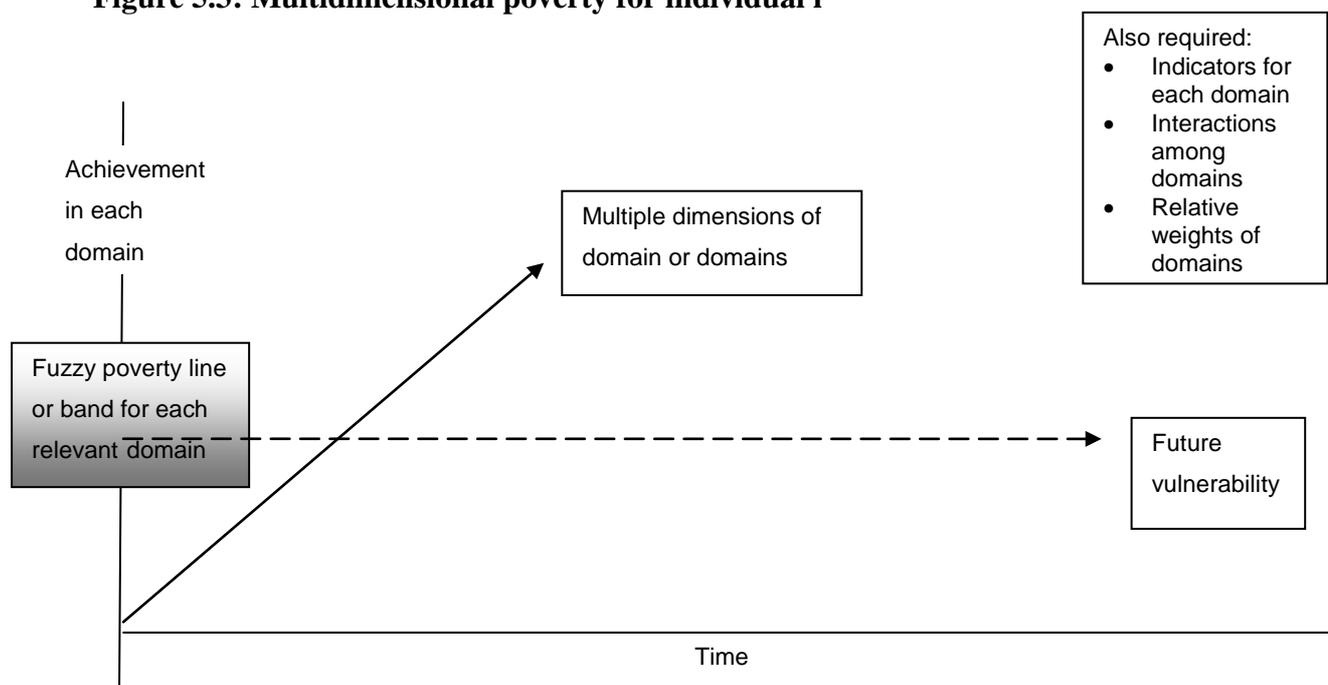
---

<sup>77</sup> With “market”, a wide range of alternative institutional models is assumed, not only the classical market model. Examples include cooperatives and microfinance or other support groups.

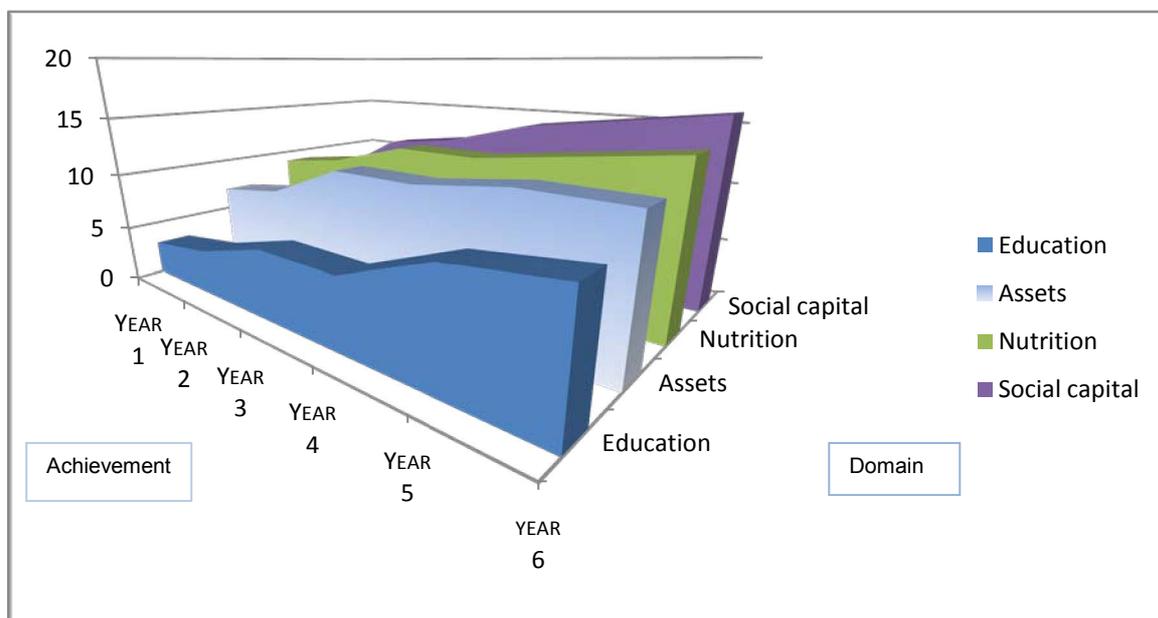
all traceable over time, is available. Alkire (2007:3) speaks of a three-dimensional space, with time, individual achievement and the different selected dimensions of poverty (i.e. income, health, social capital and the like) all presented in one picture. Alkire (2007:19) and Rojas (2008:1088) depict how the selected dimensions or domains of poverty can then be traced over time (see Figures 5.3 and 5.4).

Figure 5.3 depicts Alkire’s (2007:19) three-dimensional model – the vertical axis indicates the achievement of individual i, while the horizontal axis shows time. The 45-degree axis represents the different dimensions or domains of poverty – better viewed in Figure 5.4. For each of these dimensions, an indicator or indicators (proxies) need to be selected. The dotted line shows the individual’s achievement level in comparison to a preset poverty line for that particular dimension. For instance, the individual could be above the dotted line for income poverty but below the education line, depending on the poverty definition or line for that particular dimension, if any at all.

**Figure 5.3: Multidimensional poverty for individual i**



Source: Alkire (2007:1).

**Figure 5.4: Poverty of individual  $i$  in four domains**

Source: Adapted from Alkire (2007:19).

The question is, which dimensions or domains are selected, who decides, and why. Drawing again from the capabilities approach, Nussbaum (2000) believes that the research community should agree on a finite list of core capabilities, while Sen favours selecting the capabilities in line with the purpose of the study (Alkire 2007:1). According to Alkire (2007:7), most researchers draw on five methods of selection, alone or in combination, in deciding on dimensions. The first is to base the selection of dimensions on the availability of existing data. In Chapter 6, where the research methodology is described, the dimensions selected for this study are discussed, and it is indicated that *this method was used, since an existing dataset is mined for further analysis*. However, this method was used in combination with another method identified by Alkire, the participatory process. According to the participatory method, dimensions are selected based on ongoing discussion and analysis of people's values and priorities, as voiced by the people themselves. The remaining three methods of selection discussed by Alkire are assumptions (what the researcher assumes people will value), public consensus (generally accepted norms, such as the MDGs, or human rights) and, lastly, empirical evidence (an analysis of various disciplines, including literature on the quality of life, physiology, consumer preferences and the like) (Alkire & Santos 2010:12).

Whatever method is selected, it is important to be explicit about the reasons for selecting particular dimensions and, as such, to acknowledge the weaknesses of the particular design upfront.

## 5.6 A CONCEPTUAL FRAMEWORK FOR MEASURING CHANGES IN MULTIDIMENSIONAL POVERTY

The challenge remains to bring all these dimensions (the range of different capabilities and potential vulnerabilities, the interdependency among the dimensions and the effect of the environment on the dimensions, as well as the time or duration aspect of poverty) together in one framework. Furthermore, in line with Dorward et al. (2003:319), the influence of the market within which livelihoods happen also needs to be considered. As illustrated in the concentric circles in Figure 5.1, the notion of influence, of interrelatedness among the levels and between different factors, in combination, creates the individual's experience of vulnerability or risk.

From the above, it is clear that indicators of empowerment and economic well-being need to be differentiated. Table 5.1 depicts indicators of empowerment. The first column shows indicators of empowerment at the individual, household and community level. The next three columns bring in the livelihood approach and reflect the "achieved" level of human, social, and physical and financial capital (the ticks represent correlations between, for instance, social confidence and achieving "social capital"). In this way, the framework aims to convey the correlation between increased access to education and "achieving" human capital, between asset accumulation and physical capital, and between membership of social groups and social capital, for example. It also demonstrates that these indicators jointly contribute to the level of empowerment achieved by the individual, household or community. It speaks to Kabeer's (1999:437) notion of empowerment, which argues that resources (e.g. human, social and financial, as represented in the last three columns), agency and achievement need to be present before ability can be claimed.

**Table 5.1: Indicators of empowerment**

<b>Empowerment indicators</b>	<b>Human capital</b>	<b>Social capital</b>	<b>Physical and financial capital</b>
<b>Individual level (power within)</b>			
Level of education	x		
Self-confidence	x		
Financial confidence			x
Social confidence (awareness)		x	
<b>Household level (power to)</b>			
Position in household	x		
Decision-making power		x	
Financial contribution			x
Social relationships (partner)		x	
<b>Community level (power with)</b>			
Membership of social networks		x	
Community support/Collective action		x	
Financial contribution			x

The well-being indicators (see Table 5.2) are divided into indicators of livelihood security and economic well-being, again corresponding, as far as possible, to the assets pentagon as represented in the DFID version of the livelihood framework. Accordingly, the endowments or bundles of assets (human, social and economic) that people control are, potentially, income and consumption possibilities, given a positive market context (Carter & May 1999:2).

**Table 5.2: Indicators of well-being**

<b>Well-being indicators</b>	<b>Human capital</b>	<b>Social capital</b>	<b>Physical and financial capital</b>
<b>Livelihood security indicators</b>			
Food security	x		
Basic needs security	x		
Access to service delivery	x		
Physical assets (collateral type)			x
<b>Economic well-being</b>			
Physical assets (collateral type)			x
Financial assets			x
Perceptions of well-being	x	x	x

The framework presented above will guide the data analysis in Chapters 7, 8 and 9. However, in line with Carter and May (1999:2), it is also important to consider the presence of multiple

market imperfections that could potentially limit the ability of households to utilise their assets and endowments optimally. For instance, if the framework is used to map asset or capability bundles (as in Alkire 2007 and in Calvo 2008, using proxies), it is clear that households can be poor or close to the vertical and horizontal axis because they have a limited bundle of assets or a limited ability to generate income from their asset bundle (Carter & May 1999:11; Dorward et al. 2003). According to Carter and May (1999:16), a bundle of livelihoods might look sufficient but, because returns to uneducated labour are so low, the household needs claims on other economic and/or social assets to survive. It is also possible for the household to be financially so constrained that it cannot effectively utilise the few assets it does control, finding itself in a “low-level equilibrium trap”.

## 5.7 CONCLUSION

The conceptual framework aims to convey the interplay between gaining internal skills (power within) and the eventual ability of the individual to overcome external challenges (power to and power with). When an individual is able to build sufficient agency (self-confidence, dignity, etc.), she will increasingly be able to contribute “externally”, in decision-making and in independent contribution to groups and other collective participation. In this way, women will be able to increase their ability to manage a “basket” of activities. The assets and capabilities of the household (or the individual) shape the size of the basket, as well as the range or diversity of the activities that can be managed. The framework can be used to gain a better understanding of the mix of activities in the basket, as well as the reasons why some activities are in and others are out. For example, is it possible for a poor woman’s lack of confidence, visible in the household structure and dynamics, to be the main reason why she is reluctant to engage in other activities, for instance joining a savings group, or might her lack of income be the deterrent? Will identifying the vulnerability that prevents her from joining the group be a guide towards the solution? If indeed possible, policymakers will increasingly be able to assist the poor to a point where, in the words of Kane (2009a) “their baskets can hold more”. This conceptual framework is used in Chapters 7, 8 and 9 to guide the empirical analysis.



## CHAPTER 6: SURVEY AND RESEARCH METHODOLOGY

### 6.1 INTRODUCTION

Chapter 2 reviewed the established theory on poverty and showed that researchers continue to investigate and add to the body of knowledge around multidimensional poverty. Evidence is mounting that anti-poverty policies and plans require intervention strategies that extend beyond the monetary dimensions of poverty (see, for instance, Klasen 2000; Mosedale 2005; Leibbrandt et al. 2010b:16; May 2010:14). These findings are used in Chapter 5 to develop a conceptual framework based on the livelihoods strategy to test whether microfinance can have a positive impact on selected indicators of empowerment and well-being. This conceptual framework includes several of the dimensions of poverty that poor women in rural areas experience: a lack of confidence, limited household assets, social exclusion and their perception of their own economic well-being. The next step is to test the original hypothesis, which is that microfinance can have a positive effect on selected indicators of empowerment and well-being. Testing this hypothesis requires both a set (or sets) of data and a method of measurement. This chapter discusses these requirements and serves as a map for the analysis that follows from Chapter 7.

The first part of the chapter provides information about the dataset – why the data was collected, who collected it and why an existing dataset is interrogated for this study. This is followed by a detailed explanation of the methodology used to collect and evaluate the data, and information about the instruments used, the setting and the procedures. In addition, the statistical techniques used to analyse the dataset are explained.

### 6.2 RESEARCH DESIGN

The empirical analysis is based on data gathered between June 2001 and July 2006 in the rural areas of the Limpopo province of South Africa. One subset of data was collected as part of a larger study, the so-called Intervention with Microfinance for AIDS and Gender Equity (IMAGE) study<sup>78</sup> (Pronyk et al. 2007b). Its aim was to “rigorously evaluate the role of a structural intervention in the prevention of AIDS in South Africa” (RADAR 2005:7). Teams from the School of Public Health at the University of the Witwatersrand and the London

---

<sup>78</sup> IMAGE research is available from [www.sef.co.za/content/image-study](http://www.sef.co.za/content/image-study)

School of Hygiene and Tropical Medicine worked together on the IMAGE study. They formed a partnership around a programme of action research, called the Rural AIDS and Development Action Research Programme (RADAR). The main aim of the action research was to test a particular approach (the IMAGE approach) to fighting the AIDS epidemic in a rural setting in Africa. This approach had two components. The first was training on gender awareness and HIV to increase rural women's knowledge of health-related issues. The second component was the provision of microfinance. The hypothesis of the programme was that the women's participation in this particular gender awareness programme had the potential to influence multiple dimensions of their economic well-being and the security of their livelihoods. The RADAR partnership worked with the Small Enterprise Foundation (SEF) in South Africa to evaluate this hypothesis, for two reasons: at that time (2001), there were only a few established MFIs in the rural parts of South Africa, and the group-lending methodology used by SEF provided the ideal institutional structure for the gender awareness and HIV-related training of the IMAGE programme.

Since the nature and purpose of the RADAR research differ from those of this study, only selected information from the IMAGE study could be used for this analysis. IMAGE tested the impact of the combination of microfinance and gender and HIV-based training on the well-being and livelihood security of the poor. In contrast, this study focuses on how microfinance, on its own, can influence women's empowerment and well-being. It uses only the data from the control group in the IMAGE database, and none of the data on the group that received both training and microfinance. The data on the intervention group would have skewed the findings of this study, since IMAGE spent significant resources on the training component of their programme.

The *control group* data gathered by IMAGE pertains to a group of women who did not receive microfinance between 2001 and 2004. For purposes of this study, the data for women who did receive microfinance comes from an additional survey conducted in February and March 2006. While outside the scope of the IMAGE research, this survey used the same questionnaires and was also conducted by the RADAR team. It was conducted in villages that received only microfinance from SEF, without any gender or HIV training. These villages are directly comparable to those in the control group (see Table 6.2). The main reason for undertaking the 2006 survey was that the IMAGE research had not isolated the impact of microfinance but instead assessed it in combination with training. This was pointed out by a

leading expert on microfinance, Jonathan Morduch, who requested “comparable and rigorous data on the impact of plain vanilla SEF” to isolate the impact of microfinance (Morduch 2006:1). The survey conducted in February and March 2006 provides such comparable data and is therefore used in this study to test the hypothesis.

These existing datasets are used in this study primarily because of their high quality. The data was gathered over a period of five years under the strictest scientific protocols. Apart from the required ethical approval (see Chapter 6, section 6.6), the RADAR team incorporated additional ethical considerations into their research process. For example, all leadership groups in the eight research communities were consulted to ensure community agreement. Community liaison groups were formed to maintain open channels of communication between the researchers and the communities. Furthermore, every interviewee was requested to provide individual consent and the interviewers were trained and guided by the many Fieldworker Training Manuals of the IMAGE study.<sup>79</sup> In addition, as indicated in Chapter 6, section 6.4, the author has been involved in the planning and oversight of the IMAGE study since it was first raised at a meeting of the Board of Directors on 23 June 2001 (SEF 2001).

The methodology below briefly describes the (original) IMAGE research to explain the origin of the control group data. This is followed by a description of the 2006 microfinance-only survey.

### 6.3 SAMPLING/POPULATION

The IMAGE data was collected among eight villages in rural Sekhukhuneland (see Table 6.2) a district that lies south-east of Polokwane in South Africa’s Limpopo province. These villages comprised about 9 800 households, with a total population of approximately 64 000 people. Population detail is presented in Table 6.3. The additional (2006) survey collected microfinance-only data in four comparable villages, among women who had received microfinance from SEF since 2004 but had no exposure to the IMAGE gender and HIV training. These villages, also listed in Table 6.2, are in the Blouberg area west and north-west of Polokwane, in the Trichardtsdal area (about 50 km south of Sekhukhuneland) and in the Vuwani area north of Tzaneen.

---

<sup>79</sup> Fieldworker Training Manuals are available from [www.sef.co.za/content/image-study](http://www.sef.co.za/content/image-study)

The IMAGE study used a cluster-randomised approach. This means that villages with similar characteristics but without any previous exposure to microfinance were identified at random for consideration. The eight villages described below were selected, four for intervention and four for control. They were matched<sup>80</sup> based on their size and the accessibility of roads and towns. Villages in the intervention and control groups were similar in size and equally far from a main road, and had similar levels of electrification, migration and unemployment. The IMAGE study collected data in three different cohorts<sup>81</sup> but this study uses only data selected in Cohort I as part of the control group. The rest of this section focuses on describing Cohort I data.

Recruitment to Cohort I occurred during a 15-month period. In total, 843 women from 833 (98%) households were interviewed; 430 were found eligible and were allocated to *either* of the groups (see Figure 6.1). Eligibility was determined through the PWR methodology, described in more detail below. The women were selected into two groups. The first was the IMAGE intervention group: women in this group received both the IMAGE-designed health training and microfinance through SEF.<sup>82</sup> The second was the control group, comprising women who did not receive any intervention. The data gathered for the IMAGE intervention group *is not used in any analysis in this study*. Only data gathered for the control group is used. As noted, the intervention group in this study is based on data gathered for the 2006 microfinance-only survey, described later in this section.

In the IMAGE study, members of the *control group* were first interviewed in 2001 and 2002 (this is known as the baseline interview). All the members of the control group were originally identified with the PWR methodology, and they did not receive any loans. Follow-up interviews were held between January and December 2004 (see Table 6.1). The second group, for purposes of this study called the *microfinance intervention (mfi) group*, is comparable with the control group, with one significant difference: unlike women in the

---

<sup>80</sup> The pairs used to match the eight villages were: (1) small/inaccessible and small/accessible and (2) large/inaccessible and large/accessible. Matching was used to increase the similarity of communities that would be directly compared in the study. Within each matched pair of villages, one village was randomly assigned to be an intervention village and the other to be a control village.

<sup>81</sup> Cohort II data represent 1 455 interviews with young people (between the ages of 14 and 35) who live in the household of women selected for Cohort I. Cohort III data was also gathered among young people, this time focusing on households not represented in Cohort I but residing in the same eight communities. In each case, control groups matched by age, sex and poverty status were recruited for both Cohort I and II for purposes of comparison (Pronyk 2006: 61).

<sup>82</sup> The IMAGE health training programme consisted of a 12-month curriculum on gender and HIV. This programme, known as Sisters for Life, was delivered at the fortnightly SEF centre meetings.

control group, women in the mfi group had received loans from SEF, for at least two years before the 2006 survey.

**Table 6.1: Statistics on the control and microfinance intervention groups**

	<b>Year of PWR</b>	<b>First (baseline) interview</b>	<b>Number of women interviewed</b>	<b>Second (follow-up) interview</b>	<b>Number of women interviewed</b>
Control group	2001	Between November 2001 and October 2002	417	Between January and December 2004	363
Microfinance intervention (mfi) group	Between 2002 and 2004	Between February and July 2006	475	N/A (one interview only)	N/A

### *Control group*

Data for the control group is available at three stages: (1) at the identification stage as PWR scores (see below); (2) from a baseline survey conducted in 2001/02; and (3) from a follow-up survey conducted in 2004. Of the women interviewed for the baseline, 85% were interviewed again for the 2004 follow-up (see Figure 6.1). The two questionnaires (the Household and Senior Female questionnaires) are attached as Annexures II and III. The bulk of the analysis in this study is based on responses from the 2004 *follow-up* interviews with the control group and the 2006 microfinance-only interview (attached as Annexure IV: Household Details: Microfinance Alone Survey Interview).

Selection to the control group was based on the outcome of the PWR technique, used to rank the relative wealth of everyone in all households in all eight villages. SEF uses the PWR methodology to identify or target potential loan recipients.<sup>83</sup> This process is discussed in detail in Chapter 4. In summary, it involves community members identifying every single household by surname and assigning a poverty rank to each.<sup>84</sup> The output of this process is a database of all households in eight villages. Each household has a relative (poverty) rank and a unique identification number.

<sup>83</sup> As explained in Chapter 4, this technique was developed to ensure that SEF targets the poorest third of people whenever it starts to operate in a new geographical area. Poverty wealth ranking was internalised as part of the SEF methodology when the Tšhomišano credit programme started in 1998. Since then, all SEF clients have been identified using the PWR methodology.

<sup>84</sup> The community members rank households on the basis of several household characteristics (income, food security, housing condition, education and assets). This process results in about a third of the households being classified as very poor and thus eligible for participation in SEF's microfinance intervention.

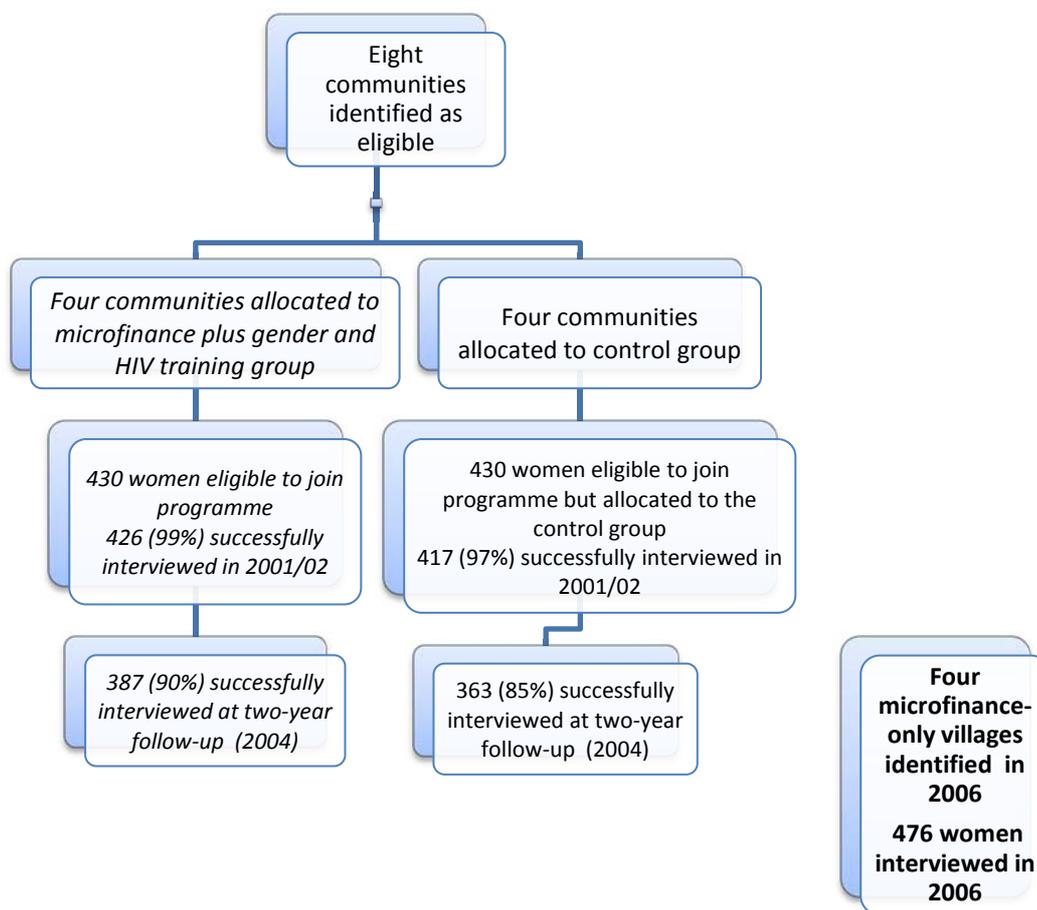
Although the dataset gathered for the IMAGE intervention group is not used in this dissertation, it is necessary to refer to this group here since there was a relational aspect to the selection of control group members. Members of the intervention group were selected first. Once a member had been selected, the (potential) matching member of the control group was randomly identified from the sample (by computer), based on the allocated PWR score and other matching criteria. This household was then visited; if it had a resident woman in the same age group as the woman in the intervention group, she would be invited to join the control group. If not, the next household on the list was visited. The control and intervention groups were therefore matched according to the following criteria: by village (according to the criteria discussed above), by age group,<sup>85</sup> by PWR eligibility, and by whether they were “sleeping at home”. The use of the PWR ensured that only the poorest women were invited either to join SEF’s microfinance programme or to join the study as part of the control group.

Every eligible woman was interviewed using a standardised questionnaire, called the Senior Female Interview. The purpose of this baseline questionnaire was to gather information on the woman’s social and economic status and the well-being of her household. Information was also gathered on relationships, decision-making in the household, and the ways in which these factors might influence the woman’s vulnerability.

For three years, both groups were part of the IMAGE research. The intervention group received both microfinance and training, while the control group received neither finance nor training. After two years, both groups were re-interviewed using two questionnaires, the Household Details: Follow-up Interview and the Senior Female Interview: Follow-up (RADAR 2001a & 2001b), attached as Annexures II and III.

---

<sup>85</sup> Age groups were as follows: 18-25 years, 26-35 years, 36-45 years, 46-55 years and 56 and older (RADAR 2005:33).



**Figure 6.1: Profile of households identified for IMAGE participation**<sup>86</sup>

*Microfinance intervention group*

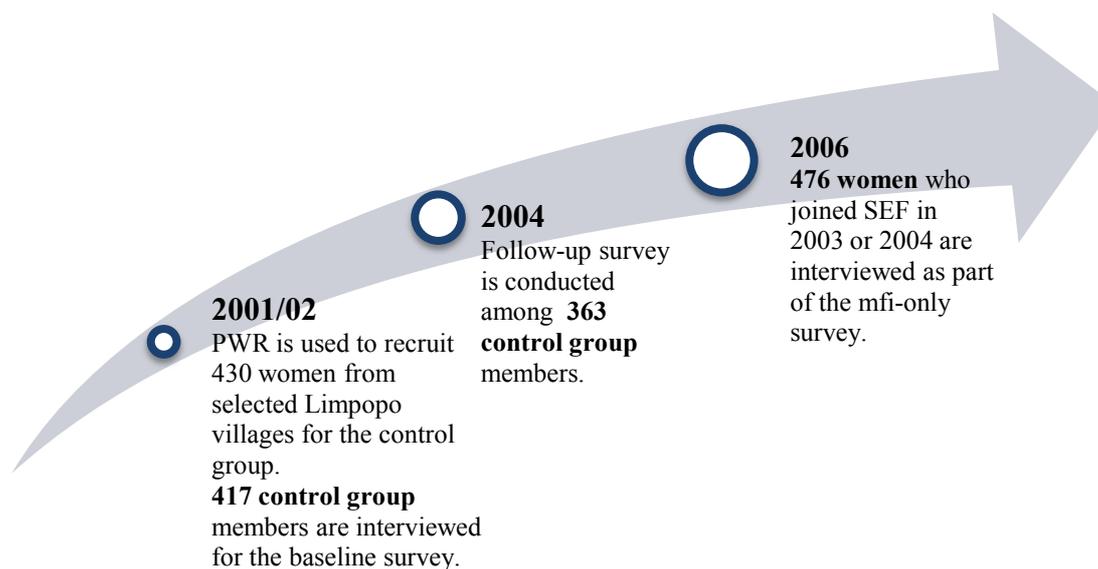
The microfinance intervention (mfi) group was identified through a stratified random sample. The criteria for inclusion in the mfi group were, first, that the women had to live in one of the villages selected on the basis of the 2001 South African census. Data from the census was used to ensure that the four villages in the control group (identified in 2001) and the mfi villages (identified in 2006) had similar socio-economic and cultural dimensions. Second, the villages should have had at least two years of exposure to SEF finance and none to any other form of microfinance. Nineteen villages met these criteria: their (selected) socio-demographic dimensions were similar to those of the comparison villages and they had received SEF

<sup>86</sup> The blocks with italic script refer to the IMAGE intervention group, which was not included in this dissertation.

microfinance since 2004 (i.e. at least two years). Of these 19 villages, eight were eliminated after further assessment of their socio-economic and cultural similarity to the comparison villages. Four of the remaining 11 villages were then randomly selected to constitute the mfi-only villages in the study (Table 6.2 lists these mfi-only villages).

Individuals in these four villages were at least in their second year of receiving microfinance from SEF. All of them had initially been identified for SEF assistance using the PWR methodology (Kim et al. 2009:3). Selected women were interviewed in February 2006, as noted, which was at least two years after their first SEF loan (see Figure 6.2). They were identified from a list of all women in the four intervention villages who received a loan during the previous two years. Data was collected from every single woman who joined the SEF programme, regardless of whether she was still participating two years later. Data collection therefore included both women who were still participating and those who had dropped out. It involved face-to-face interviews by an experienced female research team that had undergone four weeks of intensive technical and ethical training. The team used exactly the same research tools that had been used to conduct the 2001/02 and 2004 questionnaires among the control group. The single difference was in the questionnaire: section FF9000 included several questions about the mfi group's experience with microfinance (see Annexure III).

**Figure 6.2: Recruitment and follow-up of the control and mfi groups**



### 6.3.1 Characteristics of the study area

All surveys were conducted in the rural areas of the Limpopo province in South Africa. The original IMAGE research was done in the Sekhukhuneland District. This is a so-called homeland area – it was a designated homeland under the apartheid era. It is characterised by high levels of labour migration, with 60% of adult men and 25% of women living away from home for more than six months per year. The unemployment rate was over 40% in the early 2000s, when the IMAGE study was conducted.

**Table 6.2: Intervention and control villages**

<b>IMAGE intervention village<sup>87</sup></b>	<b>Control village</b>	<b>Microfinance-only intervention villages (mfi group)</b>
Ga-Makofane	Alverton	Dendron and Bochum (now called Senwabarwana, north-west of Polokwane)
Ga-Motodi	Mabotsha	Lebalelo (close to Trichardtsdal and near Sekhukhuneland)
Bothashoek	Riba Cross (also known as River Cross)	Makgwareng (close to Trichardtsdal and near Sekhukhuneland)
Driekop	Motlolo	Malamulele (Thohoyandou)

Source: RADAR (2002c:5).

Livelihood strategies in this area include activities related to land and livestock but few households have sufficient land or livestock to support themselves on a sustainable basis. The major source of income in the area is government grants. At the time of the surveys, South Africa's child support and old age grants were just becoming important forms of support for many households. Other sources of income are the informal sector, which plays a vital role, and formal employment, which has historically been limited to the education, health care and criminal justice sectors. As for access to services, only six of the villages had access to electricity, and only 47% of households had access to water from a public tap in the village.

<sup>87</sup> Data from this group was not used in the analysis.

**Table 6.3: Population indicators, Sekhukhuneland study site**

Indicator	Percentage
Population < 15 years	45%
Population > 64 years	5%
Adults with no education	35%
Adult unemployment rate (excluding students)	42%
Households reporting no cash income in 1996	34%
Households collecting water from a public tap	47%

Source: RADAR (2005:25), based on the Stats SA 1996 population census.

Economic life in Sekhukhuneland has long been dominated by migrant labour. Historically, the area was settled by the BaPedi people, whose livelihoods were based on the land. After the 1936 Native Trust and Land Act had left many households with little land, the opportunities for households to plough and herd cattle were sharply reduced. This forced many adult males to migrate to the mines, and the families that remained behind became increasingly dependent on remittances. By the 1950s, apartheid policies were fully implemented in this region and it was formally demarcated as a “homeland” area. While the BaPedi still dominated, other ethnic groups were also relocated to the region. Migration to work became the main mode of survival for most households, and many women also left to search for domestic work in the cities. Children were often left with grandparents, and subjected to “Bantu Education”. From 1986, young people became more politically aware and school boycotts were widespread. This was a time of tension and large-scale active resistance. By 1994, when the first democratic elections took place, the Sekhukhuneland area was still ridden with tensions and frustrations. The area adjacent to Sekhukhuneland was selected as a Presidential Development Node owing to its high levels of deprivation coupled with high development potential.<sup>88</sup> SEF was established in the larger Sekhukhuneland area in 1992. As noted, the reason for its establishment here was precisely that this was one of the poorest and most marginalised rural areas in South Africa. SEF was created to provide small loans to enable rural women to undertake productive activities.

By 2002, SEF was an established and growing MFI with almost 30 000 clients. These clients were almost exclusively female, and they received loans for income-generating activities using the group-lending model. While every client runs her own business, individual loans

<sup>88</sup> The high potential was related to the area’s large platinum deposits; many new mines were opening up.

are guaranteed by the group, and members of the group repay the loan together at regular meetings with the fieldworker. The success of SEF's outreach to poor and vulnerable women is well documented (see, for instance, RADAR 2002c & 2002d; Hargreaves et al. 2004; Hargreaves et al. 2007; Pronyk et al. 2007b, 2008a & 2008b; Kim et al. 2007; Simanowitz 2008a; Kolbe 2009).

#### 6.4 DATA

The data gathered over the five-year period was entered into a Microsoft Access database. Identical questions were asked during the baseline and follow-up interviews, as well as during the microfinance-only (mfi) survey. Baseline interviews with the 417 women in the control group were conducted from November 2001 to October 2002. Follow-up interviews with 363 women in the control group were conducted between January and September 2004. The average time from the baseline interview to the follow-up interview was 2.1 years. A total of 476 women were interviewed as part of the mfi-only group in 2006 (see Table 6.1 and Figure 6.1).

The original dataset was made available to the author by Dr Paul Pronyk, the leader of the IMAGE study. As a board member of SEF since 1995, the author had been intimately involved in planning and overseeing the IMAGE intervention. Dr Pronyk requested both the author and her supervisor to sign the IMAGE policy on data access. Upon signing, a CD with a clean dataset was made available. According to the IMAGE protocol (RADAR 2005:52) the study "has the potential to produce a number of research outputs over the coming years, each of which will need to be considered alongside the other". The augmented mfi-only dataset, based on the interviews with SEF clients in 2006, was obtained from Giulia Ferrari, one of the team of researchers who worked on this survey in 2006. Both datasets were in Stata version 9 (Statacorp, Texas). The questionnaires used in the interviews of the control group are attached as Annexures II and III. The same questions were combined into one questionnaire for the mfi-only interviews in 2006; the questionnaire is attached as Annexure IV (Household Details: Microfinance Alone Survey Interview).

The empirical analysis conducted in Chapters 7 to 9 uses the responses of the control group during the follow-up interview (i.e. from the survey conducted among control group

members during 2004).<sup>89</sup> The reason is that the mfi group was interviewed only once, in 2006. Using the responses gathered from the control group during the follow-up interviews in 2004 reduces the time difference between the two sets of interviews. This was possible since the purpose of this analysis is not to compare the baseline and follow-up responses of the control group. Instead, the purpose is to compare the responses received from the control group (who did not receive microfinance) to those of the mfi group (who did receive microfinance), and to evaluate how they differ.

All analysis was done using Stata version 11. The two datasets were combined as one Stata dataset based on the unique IDs of both groups. The original dataset contained information for 417 women in the control group and 476 women in the mfi group. As the original PWR scores were spread too widely (i.e. from a high score of zero to a low score of 100), the numbers were further reduced to 345 control group and 366 mfi group members, using a qualifier to narrow the dataset down to the poorest participants. This process is described in detail in Chapter 7.3: Participatory Wealth Ranking. While the difference in the size of the two groups (345 versus 366 women) could have artificially inflated the results of the analysis of variance (ANOVA), care was taken during the regression analysis to reduce such effects. This process is described in Chapter 9, section 9.2.

#### **6.4.1 Outcome measures and methods**

For purposes of the analysis, all of the outcome (dependent) variables were coded to be binary at the individual level. Socio-demographic characteristics (see Chapter 7) were listed mainly as proportions. All relationships were tested using one-way ANOVA as well as the two-sample t-test; 95% confidence intervals were calculated, comparing the mean results of the control group with the mean results of the mfi group (equality of means). Chapter 7 presents the socio-economic and demographic information of both groups, and the hypothesis statements are tested in Chapters 8 and 9. In most regression analyses, probit regression is used to verify the hypothesis statements and to establish which variables had the most impact on the outcome(s). Post-estimation techniques, mainly marginal fixed effects (mfx) were calculated, if necessary, after the probit regressions were fitted. Similar results were achieved with the combination command “dprobit”. The results of the Stata analysis, in a do-file

---

<sup>89</sup> For the socio-demographic overview (Chapter 7), selected data collected in the baseline interviews of the control group is used, and acknowledged as such.

format, were copied from the Stata results window and are available on request. Chapters 8 and 9 contain summary tables combining selected results of the analysis.

The questionnaires were particularly rich in information and only selected variables were used in the analysis. Outcome indicators of empowerment, livelihood security and economic well-being were carefully selected from among the hundreds of responses in the control and mfi groups. The conceptual framework guided the selection of the potential regressors, as did the literature study. Each dependent variable was first correlated with a series of predictors to ensure that only those independent variables that seemed to be associated with the particular outcome variable were used. The pairwise correlation command “pwwcorr” was used to provide an advance indication of variables with a possible association. The variables used in the empirical analysis are presented in Tables 6.4 to 6.6. The variables in Table 6.4 were selected as independent variables because there was a strong theoretical endorsement of their potential influence on the dependent variables (see Tables 6.5 and 6.6).

**Table 6.4: Independent variables**

Independent variable	Code/variable	Dummy variable	Reference group
<b>Socio-economic indicators</b>			
Age	ff101	Age30to39 Age40to49 Age50to59 Age60to69 Age70to99	< 30 (23 women in the control group and 23 in the mfi group)
Age (continuous variable)	ages	From age 20 to 93	< 20
Marital status	ff105	Married Divorced Widowed	Never married (91 women in the control group and 61 in the mfi group)
Head of household status	h100b	hoh	Not head of household
School level completed	h100f	Primary school High school College and/or university	All illiterate women and those without formal schooling (102 women in the control group and 87 in the mfi group )
High school completed	school (an interaction variable)	Completed high school and attended college and/or university	The rest: illiterate, without formal schooling, some primary school, completed primary school, some high school
<b>Employment</b>			

Employment status	h100g	Selfemployed $\leq 65$ ( <i>self-employed in agriculture, self-employed non-farm, unregistered self-employed</i> ) Formalsector $\leq 65$ ( <i>salaried worker, domestic</i> )	Unemployed $\leq 65$ ( <i>unemployed looking, unemployed looking occasionally, unemployed looking rarely, student, unable</i> )
<b>Access to grants</b>			
Government grants <ul style="list-style-type: none"> <li>• Old age grant</li> <li>• Child support grant</li> </ul>	Control: h100h	Access to an old age grant and access to a child grant	No government grant ( <i>private pension, financial gifts, non-financial gifts, dividends, business, other income, none</i> )
<b>Dwelling condition and access to services</b>			
Structure of house	hh305	Dwelling made of block (4 & 5) and face bricks (6) (Structure)	Dwelling made of mud and sticks or mud and bricks (1, 2 & 3) and 7
Access to land	hh303	Access_land (1)	No land access (0)
Access to water	hh306	Water_access (1: tap on the plot, 2: tap in the village, and 3: borehole)	No access (4: collect rainwater, 5: river or stream, 6: buy water, and 7: other)
Toilet access	hh307	Flush toilet and pit latrine	No facility
Access to a flush toilet	hh307	Only flush (to test investment)	Pit latrine or no facility
Access to electricity	hh308	Electricity (1 or yes)	No (2)
Access to all three services	servicesall (an interaction variable)	Access to tap on plot, flush or pit latrine and electricity	Access to tap in the village or borehole, collect rainwater or water from river or stream, or buy water; pit latrine or no facility; no access to electricity
<b>Assets</b>			
Own a car(s)	hh402a	kar	No car
Own a television set(s)	hh403a	tvset	No TV
Own a cell phone(s)	hh407a	cel (one to five cell phones)	No cell
Own a cow(s)	hh408	cow (own one or more cows)	No cows or missing
<b>Other variables</b>			
Intervention group	intervene	Intervention group = 2	Control group = 1
PWR score	pscoreav	pscoreav	Continuous variable but all scores $\geq 75$
Groups	group	Show two groups Control group Mfi group	100%

Tables 6.5 and 6.6 present the outcome or dependent variables. These variables all relate to a specific part of the conceptual framework. Table 6.5 shows the variables used to test empowerment at the individual, household and community level (the analysis follows in Chapter 8). The next set of indicators (Table 6.6) shows the variables used to test both livelihood security and well-being (see Chapter 9 for the analysis).

**Table 6.5: Dependent variables for testing empowerment**

Dependent variable	Code/variable	Dummy variable
<b>Individual empowerment indicators</b>		
<b>Self-confidence</b>		
Measures confidence in public situations	ff393	shyl
Measures ability to advise others	ff394	advice1
<b>Financial confidence</b>		
Measures ability to handle a financial crisis	ff503	crises1
Measures ability to handle a financial crisis now in comparison to two years ago	ff504	twoyears1
<b>Social confidence and challenging gender norms</b>		
Measures gender norms	newff801b	chores2
<b>Household empowerment indicators</b>		
<b>Household dynamics</b>		
Respondents' financial contribution to household	ff403a	moneycontribution
Respondents' in-kind contribution to the household (cooking, cleaning, etc.)	ff404a	workcontribution
<b>Decision-making power or influence</b>		
Ability to make large purchases without permission	ff905a	decide
Ability to take child to clinic or hospital without permission	ff906a	decidehospital
Ability to visit friends or relatives outside village without permission	ff909a	decideoutside
Ability to join credit-type group without permission	ff910a	joincredit
<b>Community-level empowerment indicators</b>		
<b>Social group membership</b>		
Belong to church group	ff208b (1, 2 & 3)	church
Belong to any type of burial society	ff216a1b + ff216a2b + ff216b1b + ff216b2b + ff216b3b	burial society
Belong to stokvel (not SEF)	ff205b (1, 2 & 3)	stokvel
<b>Collaboration and interaction</b>		
Measures ability to find shelter in a crises	ff501 (a, b & c)	shelter
Ability to borrow R50 in a crises	ff502 (a, b & c)	fiftyrand

**Table 6.6: Dependent variables for testing livelihood security and well-being**

Dependent variable	Code/variable	Dummy variable
<b>Well-being and livelihood indicators</b>		
<b>Food security</b>		
Measures access to balanced meal	hh601	basicmeal
Measures access to money to buy food	ff608	shortages
<b>Basic needs security</b>		
Measures shortages in selected items:		
• Clothes	ff602	newclothes
• School uniforms	ff603	schooluni
• School fees	ff604	schoolfee
• Fuel for cooking	ff605	fuel
• Basic household items	ff606	householdgoods
• Access to health care	ff607	healthcare
<b>Ownership of productive assets<sup>1</sup></b>		
Measures land ownership, not only access	hh401a + hh401b + hh401c	land
Measures number of cars owned	hh402a	kar
Measures cell phones owned	hh407a, b and c	cel
Measures number of cows owned:	hh408	
• One to four cows	• One to four cows	• fourcows
• More than four cows	• Five to 50 cows	• manycows
Measures number of goats owned	hh409 (own goats)	own_goats
<b>Well-being indicators</b>		
Perception of wealth in comparison to others in village	hh701	wealthperception
And in comparison to last year?	hh702	wealthyear
Do you have a bank account?	hh501	bank
Do you owe anyone money?		
• No	hh502 (2, 3 & 4)	no_debt
• Yes	hh502 (2, 3 & 4)	debt
• If yes, to whom do you owe the money? To a non-governmental organisation	hh503_4	sefdebt
Ability to borrow R50 in times of crisis	hh504	noproblem
Respondent belongs to both a burial society and a stokvel	Burialsociety & stokvel	societies

<sup>1</sup> Refers to collateral type assets

In Chapters 8 and 9, these dependent variables were used, with a series of independent variables, in probit regression analysis. The reasons for the selection of certain independent variables as possible regressors to test the effect on the outcome variable are explained in Chapters 8 and 9; they are based on both economic theory and the result of the correlation exercises. Every probit regression analysis was followed by the post-estimation command “marginal fixed effect” (mfx). The mfx was fitted to estimate adjusted means. An alternative command, “dprobit”, was used to circumvent two-step regression (i.e. probit and then mfx). Probit analysis was used almost exclusively, because the outcome variables were binary and not of a continuous nature. Where deemed necessary, interaction variables were used as independent variables.

The quantitative analysis is strengthened by information from focus group discussions held with the fieldworkers. These “research feedback events”, were conducted in the local language in the different villages. The events used song and drama to encourage the fieldworkers to share their experiences in the field and to clarify ambiguous questions. The fieldworker training manual also states that “there may be times when you will have to use a different language (than Sepedi) or modify the wording of the question to fit local dialects or culture. It is very important not to change the meaning of the question when you rephrase it or interpret it into another language. We will be practising interviews in both English and Sepedi during the training” (RADAR 2002e:21).

This qualitative information complements the quantitative data and provides context to selected questions. For example, it emerged from the focus group discussions that there is no equivalent word for “empowerment” in the local Sepedi language. Phrases such as “the power to be enlightened” or “the ability to claim personal power and to use it to change for the better” were used to express a similar concept (Kim et al. 2007:256). Further examples of the focus group discussions are used throughout this study.

## 6.5 STRENGTHS AND LIMITATIONS

According to Simanowitz (2008a), it is difficult to prove that microfinance has a positive impact on the poor, especially in the South African context. He attributes this to the government’s social grant or welfare payments. He indicates that “an important contextual factor to note is the introduction of child support grants and better access to pensions in the

area during the study period” (Simanowitz 2010:6). He recommends that researchers and practitioners alike “track progress rather than prove it; even the progress out of poverty methodology cannot prove causality because almost all SEF’s clients receive grants” (2010:1). Pronyk (2006:53) also acknowledges that, while it may be reasonable to require causality to be demonstrated, it is almost impossible: “despite over two decades of experience and the substantial literature ... there are serious limitations to previous impact assessments of MF [microfinance] programmes”. Brau and Woller (2004:26) describe the complexity of measuring impact: “Impact assessment require[s] adoption of research methodologies capable of isolating specific effects out of a complicated web of causal and mediating factors and high decibels of random environmental noise, as well as attaching specific units of measurement to tangible and intangible impacts that may or may not lend themselves to precise definition of measurement.” Brau & Woller (2004) reviews over 88 studies that measured the impact of microfinance on clients, all published in accredited journals before 2004. They find that almost all of these empirical research studies assessed impact in a one-dimensional manner and did not sufficiently isolate the impact of microfinance. According to Pronyk (2006:55) “few prospective, longitudinal studies exist, virtually none are experimental and as such, there is substantial potential for bias to affect the interpretation of results”.

In short, previous research on the impact of microfinance may suffer from three forms of bias: recall, selection and interviewer. The IMAGE study addressed several of these limitations. Data collected retrospectively suffers from recall bias but the prospective design of the IMAGE questionnaires minimised this form of bias by providing for the on-time description of indicators. Selection bias, a serious concern in previous studies, is likely to arise when there are no control groups. The IMAGE study minimised this concern by using both a control and an intervention group, randomly selected from villages matched in terms of size and accessibility and from participants matched in terms of age and wealth or poverty score. Possible interviewer bias was minimised by recruiting fieldworker staff speaking the local language, by ongoing training and supervision of the fieldworkers, and through regular workshops and feedback sessions with the field research staff (RADAR 2002a & 2002b, 2003). A Fieldwork Training Manual (RADAR 2002e) containing the standardised survey procedure was further made available to the field research staff.

The approach and the datasets of the IMAGE study are unique, representing the only attempt to date to “capture the complete impact of the programme by following up all women who enrol and capturing ‘diffusion’ effects in the community at large. To our knowledge this comprehensive design is unmatched elsewhere in assessments of microfinance programmes” (RADAR 2005:50). However, despite the advantages of the IMAGE methodology, there are some limitations. The sample (about 400 individuals per group) is small and the period (two to three years) may not be adequate for fully observing economic and social benefits. Lastly, there was potential for self-selection bias in the study. This is a common problem in microfinance impact assessments: it is highly likely that women who join a microfinance programme differ in important ways from women who are eligible for but chose not to join such a programme. Goldberg (2005:37) indicates that “women who choose to participate in microfinance programs are more empowered than those who do not”.

The addition of the mfi dataset, collected two years after the follow-up interviews with the control group, also adds to the limitations. This dataset represents a separate group of people (who did receive microfinance). Although every effort was made to match them with the control group based on socio-economic information, the two datasets are not directly comparable. This was alleviated by three factors: first, the PWR scores, which are comparable, were compiled for both groups at the identification stage. Second, the groups were matched on the basis of several socio-demographic indicators. Third, the same questionnaires were used during the interviews, although additional questions were included for the mfi group. In addition, in order to control for the possible bias created by the two-year time lapse, selected probit regressions were performed for restricted samples. In other words, only women who received social grants were included in some regression analysis (see Chapter 9, section 9.2). This ensured that the two groups were, systematically, not too different, except that the mfi group received microfinance.

## 6.6 ETHICAL CONSIDERATIONS

The IMAGE study conformed to all relevant ethical standards. The study protocol was registered at ClinicalTrials.gov (NCT00242957). Both the University of the Witwatersrand and the London School of Hygiene and Tropical Medicine approved the study. The study was

also reviewed by and registered with *The Lancet* (03PRT/24).<sup>90</sup> All leadership structures in the eight villages were consulted and all participating individuals provided consent. Furthermore, a community liaison board was established to provide feedback on progress with the study. When the results were made available, these were also discussed with the communities (Pronyk et al. 2005:3; Pronyk 2006:63).

## 6.7 CONCLUSION

This chapter outlined the origin of the data, the methods used to collect the data, the statistical programmes used to store and analyse the datasets, and the techniques used to analyse the data. The many subsets of data used in this dissertation are undoubtedly complex. It was a complicated process to combine the two datasets, one from interviews conducted during 2004 among a control group and the other from interviews conducted in 2006 among women who had received microfinance from SEF. This chapter aimed to set out this process as simply as possible.

Results from the original IMAGE research are published widely, in journals ranging from health to sociology to epidemiology and research methodology (see, for instance, RADAR 2002c & 2002d; Hargreaves et al. 2004; Pronyk 2006; Kim et al. 2007; Pronyk et al. 2007b, 2008a & 2008b; Kolbe 2009). To ensure that value is added, this dissertation uses the additional microfinance-only dataset rather than only mining the original IMAGE datasets, again, for further information.

---

<sup>90</sup> See *The Lancet Protocol Reviews* (2004): [www.thelancet.com/journals/lancet/misc/protocol/03PRT-24](http://www.thelancet.com/journals/lancet/misc/protocol/03PRT-24)

## CHAPTER 7: THE SOCIO-DEMOGRAPHIC CHARACTERISTICS OF PARTICIPATING HOUSEHOLDS

### 7.1 INTRODUCTION

This chapter provides the building blocks for the analysis in the next two chapters. Chapters 8 and 9 focus on testing the hypothesis that microfinance contributes to increased empowerment and well-being among the participants. Impact is assessed through an evaluation of the link(s) between participation in a microfinance programme and observed changes in selected indicators of empowerment, livelihood and well-being. This chapter serves to provide a descriptive analysis of the socio-demographic characteristics of the two groups. Its main purpose is to:

- *Describe* the distribution of the PWR scores of the control and the mfi groups.
- *Describe* the socio-demographic characteristics of the control and the mfi groups.
- *Describe* the lending behaviour of the mfi group.

### 7.2 VILLAGE-LEVEL INFORMATION

Table 7.1 summarises the main characteristics of the villages in Limpopo where the respondents of both groups resided. The village-level information is based on the 2001 population census (Stats SA 2003). The household and individual respondent data, discussed in section 7.3, is derived from the databases on the control and mfi groups.

While all members of the control group are from Sekhukhuneland in Limpopo, members of the mfi group are from adjacent areas (see Table 6.2). However, these villages were selected because they closely matched the villages in the control groups. Variables such as the level of unemployment, the average household size, the percentage of females in households and the average age of household members younger than 15 years were compared to ensure similarity.

**Table 7.1: Village-level information for the control and microfinance intervention groups**

Indicators	Control group villages (Limpopo)	Microfinance intervention group villages (Limpopo)
Number of villages involved	4 (Alverton, Mabotsha, River Cross and Motlolo)	4 (Dendron and Bochum, Lebalelo, Makgwareng and Malamulele)
Average household size <sup>1</sup>	4.9	4.5
Number of female household members <sup>1</sup>	55%	56%
Age (under 15 years) <sup>1</sup>	42%	43%
Unemployment as a % of working age adults in village <sup>1</sup>	65%	60%

<sup>1</sup> Source: Stats SA, population census 2001.

### 7.3 PARTICIPATORY WEALTH RANKING

All participants were identified using the PWR technique described in Chapter 4. Only women from the poorest households in each village were eligible for selection to either group. The PWR process identified the poorest households within each community and women from these households were then eligible to participate as members of either the control or the intervention group. Wealth ranking using the PWR methodology was conducted only once, at the recruitment stage. When all of the 427 women who were assessed in the PWR scoring process are included, the average or mean PWR score for the control group is 89.2. The score for the mfi group (461 participants<sup>91</sup>) is 85.4.

**Table 7.2: Participatory Wealth Ranking**

PWR scores	Control group at identification		Microfinance intervention group at identification	
	No. of women	Mean PWR score	No. of women	Mean PWR score
PWR mean (original sample)	427	89.2	461	85.4
Very poor (PWR $\geq$ 75)	343	90.4 (Standard deviation = 7.96)	366	89.4 (Standard deviation = 7.82)
Poorest (PWR $\geq$ 95)	114	99.4	102	99.3
PWR = 100 <sup>92</sup>	99	100	84	100

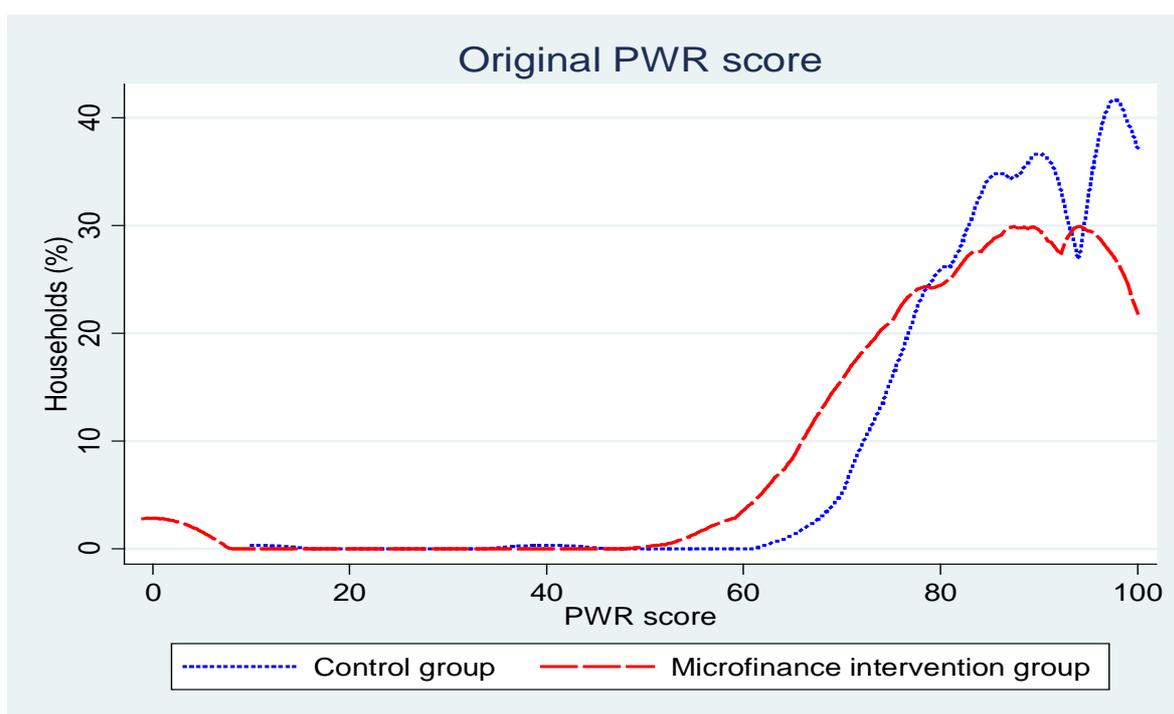
<sup>91</sup> Only 461 of the 475 participants had PWR scores reflected in the database against their unique ID. Missing values were indicated for the remaining 14 women.

<sup>92</sup> There were 99 women in the control group and 84 women in the mfi group who scored the maximum of 100.

Figure 7.1 shows the spread of PWR scores. It is clear from the figure that removing the outliers would render the analysis more accurate. This is especially true at the bottom end, which represents women who are better off: the higher the score, the poorer the household (a score of zero represents the wealthiest and a score of 100 the poorest). As such, it makes sense to remove the bottom (richest) outlier scores.

This rationale is confirmed by Simanowitz (2010:3): over the past decade of regular PWRs, the mean PWR scores have tended to fall, indicating that participants have become increasingly less poor. Simanowitz points out that, in 2000, the standard cut-off point for SEF finance was a PWR score of about 70. This means that only women with a PWR score exceeding 70 were eligible for assistance. However, the average PWR score has fallen (i.e. improved) over time as fewer people were classified in the poorest category ( $PWR \geq 70$ ). He attributes this mainly to the rollout of social grants after 2000: because the grants improved the livelihoods of households, the average PWR decreased.<sup>93</sup>

**Figure 7.1: Mean PWR scores for the control and intervention groups at recruitment**

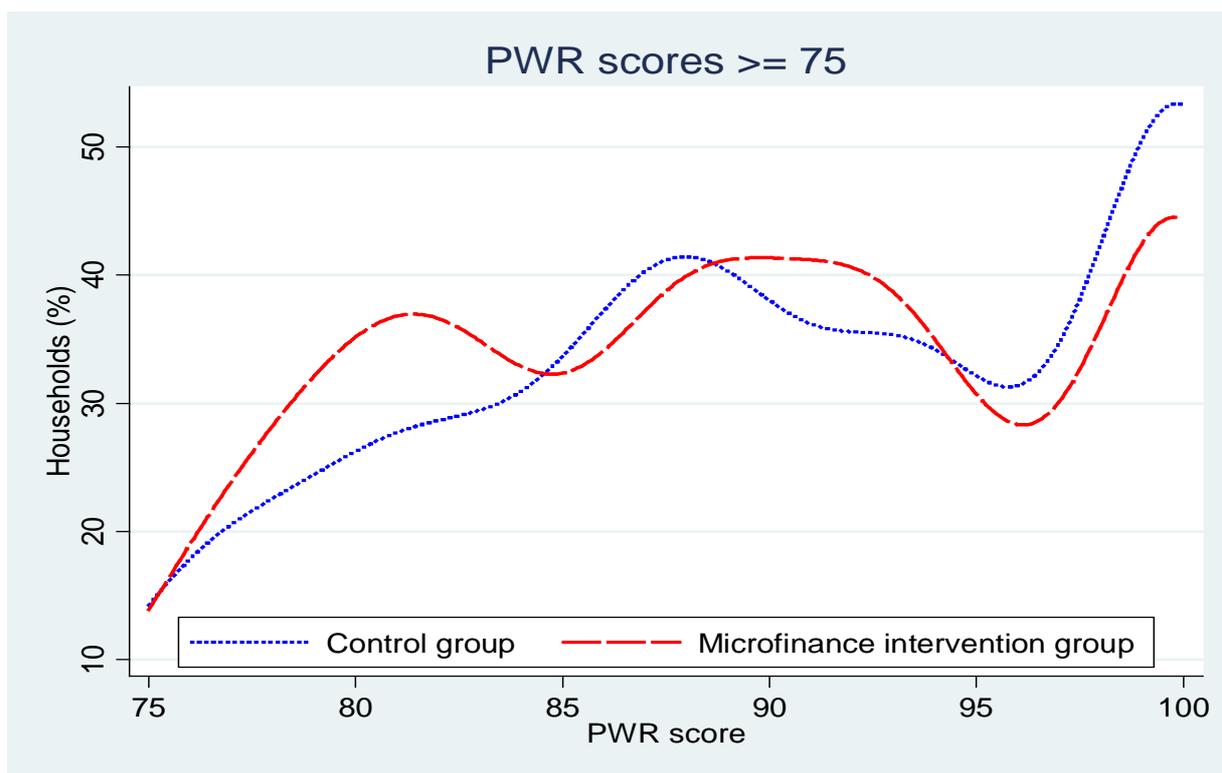


<sup>93</sup> The PWR technique, explained in Chapter 3, categorises potential participants on the basis of household characteristics such as income, food security, housing condition, education and assets. Households are allocated to one of the following categories: “have nothing”, “have a little”, “have basic necessities”, “doing ok”, and “well off”. Before 2009, the cut-off line for SEF assistance was between “have a little” and “have basic necessities”. Since 2009, the cut-off line has been between “have basic necessities” and “doing ok” (SEF 2010c:3).

This trend of a declining PWR is already visible in the two groups assessed for this analysis. The mean PWR score for the control group, measured in 2001, is 89.2, while the mean PWR score for the mfi group, measured between 2002 and 2004, is 85.4. The fact that the mean PWR scores are “improving” caused SEF to raise the eligibility cut-off point to ensure that the less poor are not included.

It is clear from Table 7.2 and Figure 7.1 that about 20% of the respondents scored less than 75. The remaining 80% scored between 75 and 100. The richer 20% have been excluded from this analysis, and only respondents (in both the control and mfi groups) whose PWR scores are 75 or higher are included. As a result, the groups are more comparable from an initial wealth perspective: the mean PWR scores are now 89.4 for the mfi group and 90.4 for the control group (see the second row in Table 7.2). An additional benefit is that the numbers of respondents in the two groups are now also more comparable – 343 in the control group and 366 in the mfi group.

**Figure 7.2: Mean PWR scores for the control and intervention groups reflecting only scores  $\geq 75$**



Another interesting fact emerging from SEF research (2011a:7), in addition to the improving PWR, is that the percentage of households in a village scoring 100 (i.e. the poorest) has not changed much over the years. On average, 16.9% of the respondents scored 100 in 2000, while 16.5% did so in 2010.<sup>94</sup> In the datasets used in the current study, the original control group had 99 women (23%) with a score of 100 and the mfi group 84 (18%). The persistent size of the poorest category may mean that these households do not receive child support or old age grants. Leibbrandt et al. (2010b:66) show a reduction in poverty for those close to the poverty line but not for those far below the line, suggesting that there are severely deprived groups who are unable to benefit from the government's many redistributive policies. Referring to this study, May (2010:14) says that there are "deep pockets of poverty in South Africa that are not being adequately reached by government policy". The situation in rural Limpopo reflects these realities. The next two sections describe the socio-demographic characteristics of the two groups, first at the household level and then at an individual level.

## 7.4 SOCIO-DEMOGRAPHIC CHARACTERISTICS

### 7.4.1 Household-level data

Table 7.3 shows the socio-demographic information of participating households. This information is derived from the questionnaires filled in during face-to-face interviews with the client (in the case of the mfi group) or with the eligible client (in the case of the control group). The questionnaires are attached as Annexures II, III and IV. Some of the responses relate to the household as a whole, for instance the number of children younger than 16 living in the household. The respondent was also asked to provide responses for every member of the household to questions such as year of birth, maximum level of education, source of income, and so forth. Respondents in the mfi group can be identified by their unique SEF client number, which enables the tracking of their progress for as long as they remain clients of SEF. The control group forms part of the original IMAGE dataset and, as part of the conditions of the IMAGE research, the identities of the members remain unknown. They did, however, receive a unique number or ID that distinguishes them from the other household members.

---

<sup>94</sup> This trend is supported by the fact that the characteristics of the piles (e.g. the 90 pile or the 100 pile) have not changed, indicating that a household scoring 100 in 2010 has the same characteristics as a household that scored 100 in 2000 (SEF 2011a:6).

Of the women in the control group who were interviewed in the 2004 follow-up, 44.3% were heads of their households and had completed primary school. In the mfi group, the figure is 48.0% (see Table 7.3). The information on employment is meaningful: in the 2004 interviews of the control group, the respondents indicated that almost 53% of households had at least one unemployed member. In contrast, the percentage in the mfi group was much lower at 17.2%. The next question could indicate the reason for this: in mfi households, more members were self-employed (55.7%, as against 27.1% in the control group at follow-up). This reflects the fact that SEF loans are used to start or sustain small businesses.

The most interesting finding is the increased access of the mfi group to both child support and old age grants. Almost half of the respondents in the mfi group received a child support grant (44.0%), while fewer than 10% (6.4%) of the members of the control group did. Similarly, over a quarter of the households in the mfi group received an old age grant, as against 11% in the control group. One reason for this is that the government has been particularly efficient at rolling out these grants after 2000, and the eligibility criteria allowed more people to access them. In 2004, when the control group was interviewed, 38.6% of households received a grant and by 2006, when the mfi interviews were conducted, 55.2% of households did. More importantly, the percentage of households in the poorest or bottom quintile with access to some kind of social assistance increased from 40.2% in 2004 to 69.4% in 2006 (Leibbrandt et al. 2010b:62).

**Table 7.3: Demographics, employment status and access to grants<sup>1</sup>**

Indicator	Control group at follow-up (2004) n=343		Microfinance intervention group at least two years after first loan (2006) n=366	
	No.	%	No.	%
Head of household completed primary school	58	44.3	83	48.0
Average no. of children (< 16) in household Egen numberkids = mean(ff110), by (group)	4.7	–	5.5	–
At least one member of the household is unemployed Bysort group: tab unemployed	181	52.8	63	17.2
At least one member of household is self-employed Bysort group: tab selfemployed	93	27.1	204	55.7

Receives child support grant	22	6.4	161	44.0 <sup>95</sup>
Age 30 – 39	13		49	
40 – 49	6		63	
50 – 59	3		27	
60 – 69	0		3	
70 – 99	0		0	
Receives old age grant	38	11.1	98	26.8 <sup>96</sup>
Age 30 – 39	1		0	
40 – 49	2		2	
50 – 59	4		9	
60 – 69	12		61	
70 – 99	18		26	
Receives private pension	4	1.2	8	2.2

<sup>1</sup> Only households with an initial PWR  $\geq 75$  are included

The age breakdown for the grants shows that the majority of women who received the child support grant were between 30 and 60 years old. McEwen and Woolard (2010:4) indicate that 82% of child grants are paid to one of the child's parents, 12% to grandparents and 3% to an aunt or uncle. Table 7.3 also shows that the majority of recipients of old age grants are over 60 years old.

Table 7.4 shows the access of participating households to selected services such as electricity and sanitation (toilets), as well as the structure of their houses or dwellings. Together, these two indicators serve as a proxy for physical poverty.<sup>97</sup> The data on toilet facilities is noteworthy, and links to the government's rollout of services. At the baseline, almost 30% of the control group had no toilet (not shown in the table); two years later, in 2004, the number had dropped to 23.2%.<sup>98</sup> When the mfi group was interviewed in 2006, only 9.4% of households reported "no facilities", meaning that over 90% of households had access to either flush or pit latrines. These substantial improvements in access to services are confirmed by Leibbrandt et al. (2010b:43): "evidence from a number of data sets showed that

<sup>95</sup> Estimates (McEwen & Woolard 2010:2) suggest that 60% of all children under the age of 15 received a child grant in 2008. The mfi group interviews took place in 2006; at that time, almost 45% of respondents indicated that the household received a child support grant.

<sup>96</sup> McEwen and Woolard (2010) estimate that over 70% of elderly women and men received old age grants in 2008.

<sup>97</sup> Physical poverty is also measured in Chapters 9.2 and 9.3, and links back to the multidimensionality of poverty discussed in Chapter 2. Physical poverty reflects inadequate access to a basic level of service, and its measurement should consider not only the availability of the service but also the quality thereof.

<sup>98</sup> "No facility" refers to households that have to use a bucket latrine.

the improvement in access to services and to assets over the post-Apartheid years had been much stronger than the improvements in money-metric poverty and inequality”.

**Table 7.4: Access to services and condition of dwelling structure**

Indicator	Control group at follow-up (2004) n=341	Microfinance-only intervention group (2006) n=363	% access to service in Limpopo (2006) <sup>1</sup>
<b>Water access</b>	<b>%</b>	<b>%</b>	<b>%</b>
Tap on plot	7.7	32.8	40.7
Tap in village	61.7	45.7	–
Borehole	0.6	0.3	–
Collect rainwater	2.1	1.4	–
River or stream	22.3	9.6	–
Buy water	5.6	9.4	–
<b>Total</b>	<b>100</b>	<b>100</b>	–
<b>Toilet access</b>	<b>%</b>	<b>%</b>	<b>%</b>
Modern with flush toilet	1.2	0.6	20.1
Pit latrine	75.7	90.0	–
No facility	23.2	9.4	–
<b>Total</b>	<b>100</b>	<b>100</b>	–
<b>Access to electricity</b>	<b>%</b>	<b>%</b>	<b>%</b>
Electricity	80.4	85.7	84.2
No electricity	19.7	14.3	–
<b>Total</b>	<b>100</b>	<b>100</b>	–
<b>Dwelling structure<sup>2</sup></b>	<b>No. (%)</b>	<b>No. (%)</b>	
Basic structure	54 (16%)	142 (39%)	–
Block or face brick structure	287 (84%)	222 (61%)	–

<sup>1</sup> Bhorat et al. 2009:11

<sup>2</sup> Basic structure: Mud and sticks, mud bricks without cement, or mud bricks covered with cement. Block or face brick structure: Block bricks without cement, block bricks with cement, or just face bricks.

While the number of households with flush toilets decreased from four in 2002 to two (out of 363) in 2006, the figures are too small to be meaningful. On the positive side, it is clear that the rollout of pit latrines continued apace during this period. In 2004, 76% of households in the control group had a pit latrine, while 90% of the mfi group had one in 2006.<sup>99</sup>

<sup>99</sup> According to DBSA (2009), 68% of all households in South Africa’s former homeland areas had access to sanitation in 2001, and 78% in 2007. Access refers to either a flush toilet or a pit latrine.

### 7.4.2 Individual-level data

Table 7.5 reports on the main socio-demographic characteristics of the individual respondents in each of the two groups. The control group data relates to the follow-up interviews conducted in 2004. The median age of the control group at follow-up was 45.1 years (2004) and that of the mfi group 49.8 years (2006). Married women dominated both groups: almost 40% of the respondents in the control group were married, as were 44.5% in the mfi group. In both groups, the respondent was the household head in just over 40% of the households.

**Table 7.5: Socio-demographic characteristics of individual participants**

		Control group at follow-up (2004)		Microfinance-only intervention group (2006)	
Number of respondents (ff101)		n=342		n=366	
<b>Age</b>	Mean age	45.1		49.8	
	Minimum age	20		22	
	Maximum age	93		86	
<b>Marital status</b>		<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>
	Never married	91	26.5	69	16.5
	Married	137	39.9	163	44.5
	Divorced, separated or widowed	115	24.2	142	27.6
Respondent is head of household		139	40.6	156	42.6
<b>Maximum level of schooling</b>					
Illiterate		85	24.9	74	20.2
No formal schooling		17	5.0	13	3.6
Primary		131	38.3	173	47.3
Secondary		97	28.4	88	24.0
High school		9	2.6	8	2.2
High school and college		3	0.9	9	0.3

As far as education is concerned, about 20% of the mfi group and a quarter of the control group were illiterate. In the mfi group, 47.3% of the women had obtained primary education, as against only 38.3% of those in the control group. In both groups, fewer than 5% of the respondents had completed high school or studied further. With one exception in the mfi group, none of the women over 70 years had completed primary school.

## 7.5 MICROFINANCE INTERVENTION GROUP

While the questionnaires used for the interviews of the control and mfi groups had exactly the same questions, the mfi questionnaire contained additional information (see FF9000 in Annexure IV). This information relates to their SEF loans and the businesses they supported using the loans. Table 7.6 highlights their loan uptake and performance information.

**Table 7.6: Loan uptake and performance indicators (mfi group)**

Indicator	Intervention group performance
Number of mfi group clients: <ul style="list-style-type: none"> <li>All<sup>100</sup></li> <li>PWR score <math>\geq 75</math> only<sup>101</sup></li> </ul>	475 366
Average number of loans taken from first loan in 2003/04 until last loan in 2006: <ul style="list-style-type: none"> <li>All</li> <li>PWR score <math>\geq 75</math> only</li> </ul>	3.1 3.2
Minimum and maximum number of loans taken over review period: <ul style="list-style-type: none"> <li>All</li> <li>PWR score <math>\geq 75</math> only</li> </ul>	Min: 1 loan (22 women), max: 8 loans (1 woman) Min: 1 loan (16 women), max: 8 loans (1 woman)
Average size of largest loan taken (mean): <ul style="list-style-type: none"> <li>All</li> <li>PWR score <math>\geq 75</math> only</li> </ul>	R1 322 R1 316
Minimum and maximum loan taken: <ul style="list-style-type: none"> <li>All</li> <li>PWR score <math>\geq 75</math> only</li> </ul>	Min: R200 (1 woman), max: R4 000 (1 woman) Min: R200 (1 woman), max: R3 000 (2 women)
Approximately when did you receive your first loan from SEF?	Earliest: June 2001
How many years have you been in business? PWR score $\geq 75$ only	Minimum: 5 years (frequency: 25 women) Maximum: 40 years (frequency: 1 woman)
Summary of types of business supported by loans	<ul style="list-style-type: none"> <li>Retail: fruit and vegetables, snacks, clothes and soft drinks, flowers, live chickens, livestock, malt, meat, paraffin, spaza shop, tea bags</li> <li>Manufacturing: handicrafts, knitting (hand and machine), sorghum beer and tailoring (pillow cases and curtains)</li> <li>Hawking: beans, flower pots, fruit and vegetables,</li> </ul>

<sup>100</sup> The 475 women referred to here include the full mfi group, before the number was reduced to limit the effect of the outlying PWR scores; see Table 7.2.

<sup>101</sup> The 366 include only women with an original PWR score  $\geq 75$ .

	<p>new and second-hand clothes, snacks and drinks, meat on dish, mopani worms and cosmetics</p> <ul style="list-style-type: none"> <li>• Services: catering, hair salon, shebeens</li> <li>• Entertainment: selling beer, catering</li> </ul>
--	---

Source: Own calculations from mfi group dataset.

In 2006, members of the mfi group had been in business for an average of 9.9 years,<sup>102</sup> with a minimum of five<sup>103</sup> and a maximum of 40 years. Of the original 475 respondents, the mean number of loans since joining SEF was 3.1, while 12 women had six loans, four had seven loans and one had eight loans. The mean loan size (fully repaid) was R1 322. The minimum repaid loan was R200 (one loan) and the largest was R4 000 (again only one). Among the group of women who had PWR scores exceeding 75, the mean number of loans was 3.2, while 16 women had only one loan and one had eight loans. In this group, the mean size of a fully repaid loan was R1 316, while the largest repaid loan was R3 000.

Table 7.7 shows that loans were most often used to support hawking (48.5%), the primary forms of which were selling new clothes (16.7% of all main businesses) and selling fruit and vegetables (14.5%). Retail (38.6%) was the second most popular category; in fact, spaza and tuck shops were the single most popular main business (17.3% of all main businesses). Manufacturing (knitting, tailoring and making beer) accounted for 11% of main businesses.

<sup>102</sup> Most of these women already ran some kind of business enterprise before they joined the SEF programme.

<sup>103</sup> One of the requirements for selection to the mfi group was that the woman had to have been a SEF client for at least the previous two years.

**Table 7.7: Type of business of the mfi group**

Category	Description	Main business	Second business
<b>Hawking</b>	<b>Total</b>	<b>177 (48.5%)</b>	<b>44 (37.9%)</b>
	New clothes	61 (16.7%)	2
	Fruit and vegetables	53 (14.5%)	15
	Second-hand clothes	20	2
	Beans	7	5
	Flower pots	2	–
	Cosmetics	6	–
	Mopani worms	2	1
	Other	26	19
<b>Retail</b>	<b>Total</b>	<b>141 (38.6%)</b>	<b>55 (47.4%)</b>
	Spaza and tuck shops	63 (17.3%)	15
	Cheese snacks	18	10
	Soft drinks and juices	13	9
	Flowers	3	1
	Live chickens	22	3
	Malt in bags	–	1
	Meat with fridge	18	13
	Paraffin	3	3
Eggs	1	–	
<b>Manufacturing</b>	<b>Total</b>	<b>40 (11%)</b>	<b>11 (9.5%)</b>
	Knitting – machine/wool	11	9
	Knitting – hand	2	–
	Tailoring	4	2
	Sorghum beer	23	–
Service	Catering	3	4
	Shebeen	2	–
Catering	Meat on dish	–	1
Entertainment	Beer	2	1
	<b>Total</b>	<b>365</b>	<b>116</b>

Source: Calculated from mfi group dataset.

## 7.6 CONCLUSION

The results of the PWR were used to select the poorest clients from among the eligible control and mfi group members. Clients scoring 75 or higher with the PWR methodology are especially poor, being in the PWR categories of “have nothing” or “have a little” (refer to Footnote 93). Further demographic analysis reveals that a quarter of the households in the control group received a child support grant, as did almost half of the mfi households. About a quarter of both groups are illiterate, and the age of the participating women (both groups) varied from 20 to 93.

The mfi group (interviewed during 2006) mostly used their SEF loans to support hawking businesses, and a large percentage operated spaza shops. Limited manufacturing activities were reported (only 11% of all businesses); most of these were related to knitting and the making of sorghum beer. The average loan size was around R1 300, and every SEF client had an average of three loans. Apart from their participation in the SEF programme, the socio-economic and demographic characteristics of the mfi group differ little from those of the control group. Chapters 8 and 9 rigorously analyse the possible relationship and the cause and effect between access to microfinance and empowerment, livelihood security and well-being.



## CHAPTER 8: THE EFFECT OF MICROFINANCE ON SELECTED EMPOWERMENT INDICATORS

*“Establishing impact essentially is making a case that the program led to the observed or stated changes. This means that the changes are more likely to occur with program participation than without program participation. It does not imply that the changes always occur from program participation. Rather, it increases the probability that the changes will occur” (Rossi & Freeman 1989).*

### 8.1 INTRODUCTION

Evaluating the link(s) between participation in a microfinance programme and observed changes in selected indicators of the empowerment and well-being of the participants is the overriding objective of this study. The hypothesis is that women who participate in the SEF microfinance programme over a period of two years will experience improved (1) empowerment and (2) well-being relative to women who did not receive microfinance. In an effort to assess the first part of this hypothesis, this chapter analyses and interprets the dataset for empowerment indicators. Chapter 5 (Conceptual framework) described the determinants of empowerment and well-being in the context of rural South Africa; this chapter uses those determinants to assess whether the recipients of microfinance experienced empowerment at the individual, household and community level. The focus is specifically on microfinance and empowerment,<sup>104</sup> with the following aims:

- *Describe and examine* the nature of the responses received from both groups in terms of the selected indicators of empowerment.
- *Identify or isolate* the independent variables that caused most of the observed changes in the outcome variables.
- *Establish* the strength and direction of the variables that display statistical significance.

Chapter 7 described the socio-economic and demographic characteristics of both the control and the mfi groups. This chapter reports further on the responses received from both groups to the questions on empowerment outcomes. Using analysis of variance, the significance of

---

<sup>104</sup> Chapter 9 investigates the impact of microfinance on the indicators of livelihood security and well-being for the microfinance intervention group, compared to the control group that did not receive any intervention.

differences in means is calculated for each response and the difference in means between the two groups is shown. The hypothesis is then tested using probit regression analysis. The rest of the chapter is structured as follows: the next section, section 8.2, examines outcome indicators of empowerment at the individual level, followed by indicators of household-level empowerment in section 8.3. Section 8.4 looks at indicators of empowerment at the community level.

## 8.2 ANALYSIS OF EMPOWERMENT INDICATORS

### 8.2.1 Indicators of individual empowerment (“power within”)

Table 8.1 reflects the questions and responses received for empowerment at the *individual level*. Five questions drawn from the questionnaires (see Annexures II and III) were selected and analysed to assess the women’s individual empowerment or “*power within*”. These five questions fall into three groups, as follows:

- The first two questions deal with the self-confidence of the woman.
- The next two measure her financial confidence.
- The last question deals with her gender awareness or social confidence.

Table 8.1 below lists the questions as they were framed in the questionnaire. The column “Desired outcome” refers to the preferred outcome response. The last column shows the statistical significance of the difference in the mean of the two responses – the t-test (as a special form of variance analysis, also called ANOVA) was applied to establish whether there is a significant difference between the mean results obtained from the control and the mfi group. The ANOVA test does not explain the cause of the difference in results. Therefore, a more rigorous analysis, mainly in the form of probit regression analysis, is performed in section 8.2.2 to attempt to establish the main predictors of the change and, where the results are significant, the direction and the strength of the observed change. Here causality cannot be established but it can be inferred where the evidence supports the hypothesis that are tested.

**Table 8.1: Empowerment at the individual level (“power within”)**

Individual level							
Indicator/outcome variable (Shows exact question and question number)	Desired outcome	Control group at follow-up n=343		Mfi group at least two years after first SEF loan n=366		Mfi group result compared to control group result	Significance (one-way ANOVA)
		Freq.	%	Freq.	%		
<b>Self-confidence</b> <ul style="list-style-type: none"> <li>If you were at a community meeting, how confident are you that you could raise your opinion in public? (ff 393)</li> <li>Neighbours often have similar problems (e.g. around raising children). How confident do you feel about offering advice to them? (ff 394)</li> </ul>	Coded response 1, “ <i>Very confident and often do</i> ”, as binary	154	44.90	125	34.15	Less	P=0.003 ***
		200	58.31	162	44.26	Less	P=0.000 ***
<b>Financial confidence</b> (ff503) <ul style="list-style-type: none"> <li>In the event of a crisis (e.g. a house fire), how confident are you that you alone could raise enough money to feed your family for four weeks? (by selling things that you own, working or borrowing money)</li> </ul>	Coded response 1, “ <i>Very confident</i> ”, as binary	85	24.78	58	15.85	Less	P=0.003 ***
<ul style="list-style-type: none"> <li>Would you say that your ability to survive this kind of crisis is better, the same or worse than it was two years ago? (ff504)</li> </ul>	Coded response 1, “ <i>Better than 2 years ago</i> ”, as binary	126	36.73	162	44.26	Higher	P=0.0413 **
<b>Social confidence</b> (Awareness and challenging gender norms) In your own opinion do you agree that: <ul style="list-style-type: none"> <li>A woman should do most of the household chores (cooking, cleaning) even if the husband is not working? (newff801b)</li> </ul>	Coded response 2, “ <i>Disagree</i> ”, as binary	178	61.38	246	75.23	Higher	P=0.000 ***

Key: \* p&lt;0.10, \*\* p&lt;0.05, \*\*\* p&lt;0.01

While not all the results show a change in the desired direction, the results are, nonetheless, meaningful in the context of the hypothesis. While the individual power or “power within” is measured at three levels, namely self-confidence, financial confidence and social confidence, the type of intervention, access to finance, is most directly related to financial confidence. Financial confidence is clearly one of SEF’s primary short-term aims, while self-confidence and social confidence are desired but often achieved only over the longer term. So many other variables shape qualitative indicators such as self-confidence and social confidence that a much longer period of exposure to an intervention such as microfinance is required before a measurable or significant difference can be observed. In other words, there is a lot of “noise” and it is difficult to isolate the causality of observed shifts. Considering the difficulty of controlling for all possible causes plus the relatively short (two-year) period of observation, it is not surprising that the mean result for the mfi group is no higher than the mean result for the control group. However, the mean response from the mfi group to the question measuring financial empowerment (i.e. whether they are better able to survive a crisis now than two years ago) does seem to point to a higher level of financial confidence among the mfi group. Also, the mean result of the mfi group for the question on social confidence is higher than that of the control group. Several possible predictors of this outcome are investigated below in the probit regression (see Section 8.2.2).

According to Simanowitz (personal communication, Johannesburg, 10 October 2008), it should be borne in mind that the questionnaire was designed primarily for the original IMAGE research, which aimed to measure the effect of microfinance *plus* the Sisters for Life gender and HIV training. This means that many of the questions may suffer from a biased approach and can even be classified as “ethnocentric, normative and containing unfounded assumptions”. He holds that this “can skew the results, and leaves the more straightforward questions such as financial confidence as the more reliable measure”. That said, responses to the first question on financial empowerment, asking whether participants were very confident that they alone could raise enough money to feed their families for four weeks, are worrying. In the control group, 24.8% of the respondents felt that they could, but only 15.9% of the women in the intervention group concurred. Not only is the desired result not achieved but, worse, the mfi group’s 15.9% is particularly low, showing an almost complete lack of confidence in their ability to care for their families in a crisis. Responses to the second question on financial empowerment, measuring the women’s ability to survive a financial crisis now in comparison to two years ago, were in line with the expected outcome or the

hypothesised direction. Almost 45% of the respondents in the intervention group felt better able to handle such a crisis, as against just over 36% of the control group. Again, there was a statistically significant difference between the mean results ( $p=0.041$ ), this time in the expected direction. Other interesting results include the significant and positive result observed for the question on social confidence and gender awareness, indicating a higher mean level of gender awareness among the mfi group.

A combination of strategies is used below to establish the main causes of a particular outcome, or to determine which of the independent variables offer the best explanation for the change in the dependent variable.

### 8.2.2 Regression results for individual empowerment

This section investigates the causes of the observed change in the selected dependent or outcome variables. Regression analysis (mainly probit analysis) was used to establish which of the many possible independent variables (or predictors) were responsible for the change in behaviour or, put differently, which of the many possible causes is the best predictor of the result. Probit analysis was used because almost all the outcome variables were binary and not continuous. Where necessary, interaction variables were used as independent variables.

The outcome or dependent variables – self-confidence, financial confidence and social or gender confidence – may be a function of several independent variables. A selection of such predictors was made, based on the theoretical analysis, the preliminary analysis in section 8.2.1 and several correlation tests. Being part of the mfi group is used as an independent dummy variable in all the probit regressions but, in some cases, the regression was run with and without the mfi group as a control.

**Table 8.2: Dependent and independent variables measuring *individual-level empowerment***

Dependent variable	Independent variables
Self-confidence	Intervention group, age (continuous), education, employment status, grants, structure of dwelling
Financial confidence	Intervention group, marital status, education, grants, selected assets, access to services, structure of dwelling, head of household status, membership of social networks and access to banking facilities

## Self-confidence

### *Confidence to speak in public and to advise others*

Demographic variables, combined with variables such as employment status and access to child support and old age grants, were used as independent variables (see Table 8.2). The regression results in Table 8.3 show that being part of the mfi group has a large, negative and significant impact on being self-confident ( $p=0.002$ ) and able to advise others ( $p=0.002$ ). In line with the calculations in Table 8.1, the effect of being in the mfi group reduced the probability of being confident and willing to give advice to others. This means that women who received microfinance were 15.8% less likely to be confident than women who did not receive any microfinance, after controlling for several other independent variables (see Table 8.2). Almost exactly the same outcome is observed for the ability to advise others. These results could reflect the precise targeting done by SEF, to ensure that only the most vulnerable women join the programme. However, the mean PWR scores for the two groups were similar at the identification stage (see Table 8.2). It could be said that the PWR technique reflects material well-being more than empowerment and, as such, cannot be used as a yardstick for “vulnerability”. However, according to Hargreaves et al. (2004:6), the PWR technique is superior to other survey techniques in that it is not dependent on objective, measurable data only since, in the PWR process, “information is acquired from neighbours and is triangulated” (see also Footnote 93 on the PWR technique). Alternatively, this result could show that, after two years of receiving finance, the SEF clients still lacked confidence. As noted, the most likely explanation is that the two-year timeframe of this study is too short for changes in qualitative indicators such as self-confidence. For the first indicator, “confidence to speak in public” and the second indicator, “ability to give advice to others”, there are a few other interesting and significant predictors:

- Controlling for other factors, women with some secondary education are 23.4% more likely than illiterate women to be confident, and 16.8% more likely to give advice to others. Also, women who finished high school and achieved a higher qualification are 31.1% more likely to be confident than illiterate women.
- Again, controlling for other factors, for every year of being older, women show a very small (0.6%) increase in their likelihood of being confident.
- Being self-employed is positively and significantly correlated with being confident and willing to give advice. Self-employed women are 16.6% more likely to be confident than unemployed women, again controlling for several other factors.

- For both outcome variables, namely being confident and giving advice, women who live in brick houses are, respectively, 7.7% and 9.4% more likely to respond positively than women in mud and stick houses, controlling for other factors.

**Table 8.3: Probit results for self-confidence**

Variables	Confidence to speak in public		Confidence to advise others	
	coef.	<i>p</i> value	coef.	<i>p</i> value
<b>Intervention group</b>	<b>-0.158***</b>	<b>0.002</b>	<b>-0.156***</b>	<b>0.002</b>
<b>Age</b>	<b>0.006**</b>	<b>0.030</b>	0.001	0.826
Completed primary school	0.050	0.331	-0.001	0.987
<b>Some high school</b>	<b>0.234***</b>	<b>0.001</b>	<b>0.168**</b>	<b>0.014</b>
<b>Completed high school and studied further</b>	<b>0.311***</b>	<b>0.004</b>	0.139	0.201
Old age grant	-0.073	0.308	-0.067	0.371
Child support grant	0.008	0.883	0.019	0.737
<b>Self-employed</b>	<b>0.166***</b>	<b>0.000</b>	<b>0.120***</b>	<b>0.008</b>
Employed	-0.044	0.522	0.038	0.582
<b>Structure of house</b>	<b>0.077*</b>	<b>0.077</b>	<b>0.094**</b>	<b>0.037</b>
# of observations	704		704	
Pseudo R2	0.0535		0.0493	

Key: \*\*\*  $p < 0.01$ , \*\*  $p < 0.05$ , \*  $p < 0.1$

From the probit regression for measuring confidence, a predict variable called “confident” was created. This was used to see how the mean responses for confidence vary (in each group) if women are self-employed. Table 8.4 shows that self-employed women in the control group have an average predicted probability of being confident of 58.2%, while the self-employed women in the intervention group have only a 42.0% chance.

**Table 8.4: Predicting confidence in both groups, if self-employed**

Self-employed	Confident (%)
Control group	58.2%
Mfi group	42.0%

### Financial confidence

For both questions dealing with financial confidence, the independent variables were expanded to include asset ownership, access to services and membership of social groups, as shown in Table 8.2. The findings for the two questions are described separately below.

*Ability to handle financial crises*

The first question measured the women's ability to raise enough money to feed their families for four weeks. The results show, once more, that being part of the group that received microfinance reduces the chances of being financially confident by 8.5% ( $p=0.031$ ). In addition, the regression shows the following significant predictors, in all cases controlling for a range of independent variables:

- Married women are 9.3% ( $p=0.066$ ) and divorced women 14.1% more likely to be able to handle a financial crisis than women who have never been married.
- Women who completed some high school are 12.7% more likely to handle a financial crisis than illiterate women.
- Women living in homes made of block and face bricks are 7.5% ( $p=0.033$ ) more likely to handle a financial crisis than those living in dwellings made of mud and sticks.
- Stokvel membership seems to be a positive and significant ( $p=0.000$ ) predictor of financial confidence, with women belonging to a stokvel being 16.6% more likely to be financially confident than those who do not. The predict variable "financialconf" further predicts that women in the control group who are also stokvel members have a probability of 41% of being financially confident, while the stokvel members in the mfi group have a 28% predicted probability of being financially confident.
- Women who have access to water are less likely to be financially confident, being 9.7% less able to handle a financial crisis ( $p=0.006$ ) than those without access to water on the plot. One explanation for this could be that the cost of water services affects their financial ability and confidence.

**Table 8.5: Probit results for financial confidence**

Variables	Ability to resolve a financial crisis		Better off now than two years ago (financially)	
	coef.	<i>p</i> value	coef.	<i>p</i> value
<b>Intervention group</b>	<b>-0.085**</b>	<b>0.031</b>	-0.046	0.355
<b>Married</b>	<b>0.093*</b>	<b>0.066</b>	0.086	0.167
<b>Divorced</b>	<b>0.141**</b>	<b>0.038</b>	0.028	0.714
Widowed	0.065	0.257	-0.028	0.682
Primary school	0.065	0.115	<b>0.120**</b>	<b>0.021</b>
<b>Some high school</b>	<b>0.127**</b>	<b>0.021</b>	<b>0.116*</b>	<b>0.077</b>
Completed high school	0.110	0.255	0.126	0.257
<b>Old age grant</b>	0.036	0.454	<b>0.171***</b>	<b>0.005</b>
<b>Child support grant</b>	-0.022	0.603	<b>0.180***</b>	<b>0.001</b>

<b>Structure of dwelling</b>	<b>0.075**</b>	0.033	-0.026	0.570
<b>Access to water</b>	<b>-0.097***</b>	0.006	<b>-0.121***</b>	<b>0.006</b>
<b>Access to electricity</b>	<b>-0.066</b>	0.116	0.012	0.819
Access to land	0.035	0.330	-0.014	0.764
Head of household	0.031	0.533	0.055	0.388
Member of church group	-0.003	0.945	-0.004	0.930
Member of burial society	0.059	0.215	0.062	0.334
<b>Member of stokvel</b>	<b>0.166***</b>	<b>0.000</b>	<b>0.281***</b>	<b>0.000</b>
Access to bank account	0.019	0.576	0.039	0.370
# of observations	705		705	
Pseudo R2	0.0776		0.0790	

Key: \*\*\*  $p < 0.01$ , \*\*  $p < 0.05$ , \*  $p < 0.1$

### *Financially better off than two years ago?*

The second question on financial confidence asked the participants whether they are now better equipped than two years ago to handle the type of financial crisis in the previous question. While being part of the intervention group does not seem to be a significant indicator, the strongest and most significant predictor of the ability to handle a financial crisis better than two years ago is access to a child support grant ( $p=0.001$ ). Women who receive a child support grant are 18.0% more likely to be more financially confident. Likewise, receiving an old age grant adds 17.1% to their chances of being financially more confident now ( $p=0.005$ ). This is a meaningful result, as demonstrated in Figures 8.1 and 8.2. Figure 8.1 shows the mean response to the question about being better off now than two years ago. While 36.7% of the control group saw themselves as better off, 44.2% of the mfi group did. When access to a child support grant is added in the regression analysis, the picture changes (see Figure 8.2): 54.0% of the women in the mfi group are likely to be better off if they receive a child grant, while the percentage for the control group increases to 45.5%. The efficiency with and scale on which the child support grants were rolled out between April 1998<sup>105</sup> and 2006 is definitely reflected in this result (Coetzee 2010). At the time of the follow-up interviews with the control group (2004), approximately 5 million children received grants.<sup>106</sup> When the mfi group was interviewed in 2006, 7.5 million children received grants – an annual growth rate of over 15%. That the mean results of both groups

<sup>105</sup> When launched in 1998, the child support grant paid R100 per month to the primary caregivers of all eligible children under the age of seven. This amount has more than doubled over the past 13 years, to R250 in 2010. The age limit was raised several times and will gradually increase to include all eligible children under 18 from January 2012 (RSA 2009).

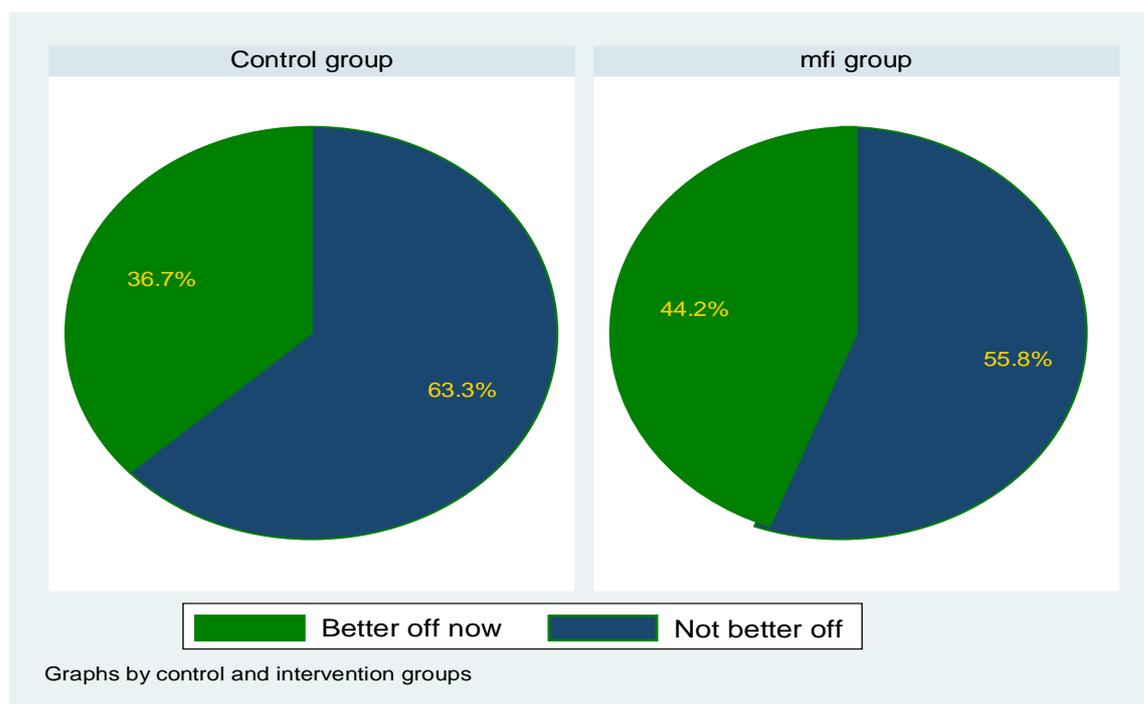
<sup>106</sup> In 2004, the age limit for eligibility for the child support grant was 11 years; it was raised to 14 years in 2005 (Leibbrandt et al. 2010b:55).

show the increased impact of government grants over the two-year period is a positive and expected observation. To establish whether one group was more likely to be more financially confident now than two years ago if in receipt of a child support grant, a predict variable “financialpast” was created (see Table 8.6). Women in the mfi group who receive a child support grant have a 52.4% predicted probability of being better off now, while women in the control group show a similar probability (55.5%). The members of the mfi group who also receive an old age grant have a 44.5% predicted probability of being better off now, and those in the control group a 40.4% probability.

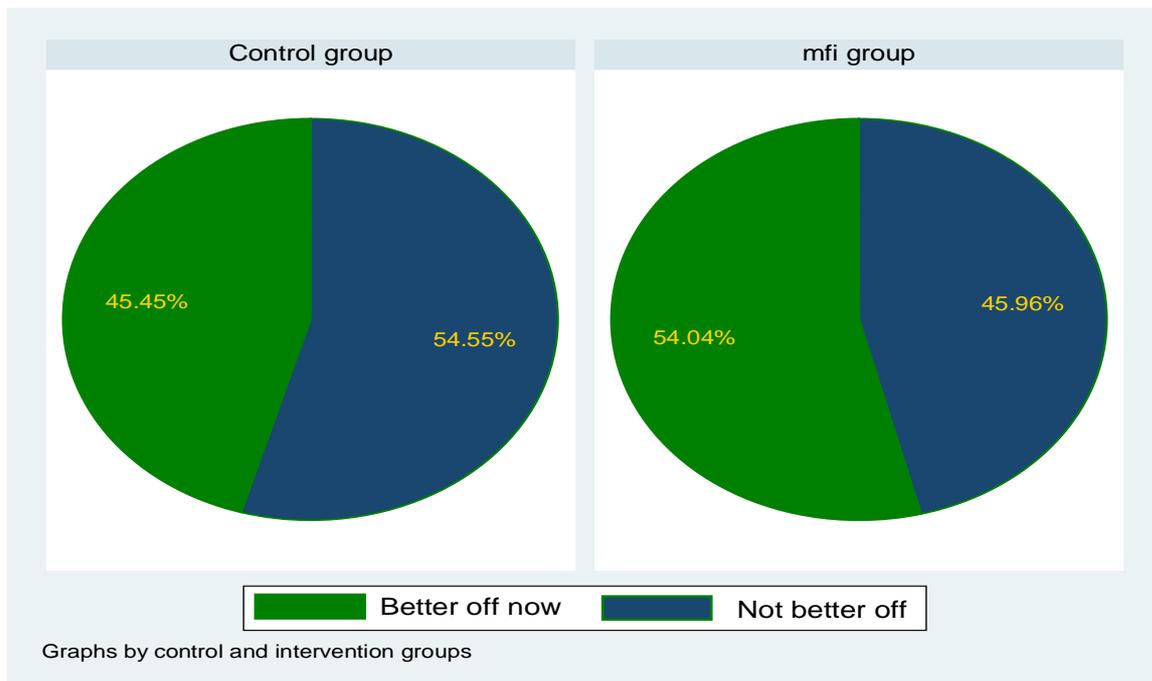
**Table 8.6: Probability of being better off if in receipt of government grants, per group**

	Predicted probability of being better off now than two years ago
<u>Child support grant</u>	
Control group	55.5%
Intervention group	52.4%
<u>Old age grant</u>	
Control group	40.4%
Intervention group	44.5%
<u>Stokvel membership</u>	
Control group	60.0%
Intervention group	68.0%

**Figure 8.1: Likelihood of being better off now than two years ago, both groups**



**Figure 8.2: Likelihood of being better off now than two years ago if receiving a child support grant**



Since membership of a stokvel, controlling for other factors, increased the likelihood of being able to handle a crisis better now by 28.1%, the predict variable “financialpast” was used to establish which group benefitted most. Interestingly, members of the mfi group who are also stokvel members had a 68.0% predicted probability of being better off financially now than two years ago, as against the predicted probability of 60.0% for members of the control group. Other significant predictors include:

- Access to water again reduces the chances of being better off now, by 12.1%. The costs associated with paying for the water services could explain this result.
- Stokvel membership is again a positive and significant predictor of increased financial confidence, with women belonging to a stokvel being 28.1% more likely to be financially more confident now. If the intervention group responses are analysed in isolation of the control group, this result is 16.6%, controlling for other factors.

### **Social confidence and gender awareness**

#### *Household chores*

The last question relates to the woman’s role in the household and her perception of gender roles. From Table 8.1, it is clear that women receiving microfinance are significantly more

likely to disagree with the statement that “*a woman should do most of the household chores even if her husband is not working*”. The regression results confirm this but do not indicate any other significant predictors of gender perceptions. A predict variable “genderroles” shows that women in the mfi group who are employed have a predicted probability of 80.0% of objecting to such gender roles, while the employed members of the control group have a 67.4% predicted probability.

**Table 8.7: Probability of objecting to household chores if employed, by group**

<b>Employed women</b>	<b>Predicted probability of objecting to household chores</b>
Control group	<b>67.4%</b>
Intervention group	<b>80.0%</b>

Individual-level empowerment forms an important component of the hypothesis that women who participate in the SEF microfinance programme for two years will be more empowered. However, the regression analysis does not show any significant benefit for the recipients of microfinance in comparison to the control group; it shows that receiving microfinance did not enhance individual confidence. It does seem, however, that being self-employed, in receipt of a government grant and having some secondary schooling did benefit individual confidence, regardless of whether the woman was in the control or the intervention group. While the rollout of the old age grant did seem to benefit the intervention group more than the control group, this could be a function of the timing of the interviews (2006 and 2004). The next section continues to investigate empowerment, now at the household level.

### **8.2.3 Household-level indicators of empowerment (“power to”)**

At the household level, empowerment is measured in terms of the participating women’s:

- Autonomy in intra-household decision-making and communication (four questions); and
- Financial and work contribution to the household (two questions).

This empowerment indicator, also called “power to”, reflects the respondent’s ability to exercise power *within* the household. The first set of questions measured autonomous decision-making in the household, in a series of four questions about household decisions – listed below in Table 8.8. The questions asked whether the respondent needed permission from her partner to do certain things. Interestingly, in all four cases, the majority of women in

both groups needed permission to make these decisions. About three-quarters of the women needed permission to make large purchases, visit friends in other villages and join a credit group. It was only for taking a child to a hospital or clinic that less than a third of the women in both groups needed permission. In discussions with the fieldworkers responsible for filling in the questionnaires, it was clear that “permission” was an inappropriate term. It would have been better to enquire whether the respondent “informed” her partner about her planned action. “It is seen as a sign of respect to tell your husband what you are doing and a sign of disrespect not to” (RADAR 2003:11). This could explain why such a high percentage of both groups had to “ask permission”; it actually refers to mutual respect and communication.

**Table 8.8: Empowerment at the household level (“power to”)**

Household level							
Indicator	Desired outcome	Control group at follow-up		Mfi group		Mfi group result compared to control group result	Significance (one-way ANOVA)
		Freq.	%	Freq.	%		
<b><u>Decision-making power within the household</u></b> Nine questions about asking permission from someone: (ff905a – ff910a)	Coded response “no” (do not need permission from partner) as 1, binary	<b>n=302 (Rest of values missing)</b>		<b>n=305 (Rest of values missing)</b>			
1. Make large purchases for the household (i.e. fridge)		32	22.70	26	15.76	Worse	P=0.123
2. Take your child to the clinic or hospital		98	69.50	131	80.90	Better	P=0.022 **
3. Visit friend or relatives outside the village		34	24.11	18	10.91	Worse	P=0.0021 ***
4. Join a credit group or other financial organisation		15	10.64	23	13.94	Better	P=0.3844
<b><u>Financial contribution</u></b>	Coded response “Yours is the most important contribution to the household” as 1, binary	<b>n= 343</b>		<b>n=366</b>			
• Think about the money that you bring into the household. How is your contribution viewed by your partner? (ff403a)		53	15.45	112	30.60	Better	P=0.000 ***
• Think about the unpaid work you do to support the household (cooking, cleaning, fetching water). How is your contribution viewed by your partner? (ff404a)		116	33.82	126	34.43	Better	P=0.865

Key: \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$

The second group of questions measures the perceptions of the participants' financial and work contribution to the household. From a discussion among the fieldworkers (RADAR 2003:11), it is clear that the local cultural practice among the people (mainly Sepedi, Sesotho and Shangaan) "is very demonstrative of appreciation, but appreciation is not the same thing as valuing the contribution as the most important in the household". However, the fieldworkers agreed that the questions were answered truthfully, "as to what the people in the household think, rather than how the women wish the household members are thinking" (RADAR 2003:12). The mfi group's mean responses to both questions on financial contribution were "higher" than that of the control group and, in the case of the first question (on the money that the woman brings into the household), significantly higher.

#### 8.2.4 Regression results for empowerment at the household level

Variables tested in this regression analysis are similar to those used in the previous section but exclude services and assets. These were found not to correlate with the intra-household outcomes. Table 8.9 shows the independent variables included in this regression.

**Table 8.9: Dependent and independent variables measuring *household-level empowerment***

Dependent variable	Independent variables
Decision-making power within the household	Intervention group, education level, employment status, grants, social networks, structure of house, household head status
Financial power in the household	Intervention group, age groups, employment status, grants, social networks, structure of house, access to a bank account

#### Decision-making power within the household

As discussed in section 8.2.3, the questionnaire contained four questions on the extent to which women in both groups needed permission from their partners to do certain things. As noted, the respondents understood these questions to refer to them "informing" their partners about intended purchases or visits, rather than asking permission per se. Two of the four questions showed significance (see Table 8.10): taking a child to a clinic or hospital, and visiting friends outside the village. Regression analysis was only performed on these two responses, showing that members of the mfi group were 18.1% more likely not to ask

permission for taking their children to a hospital or clinic than were members of the control group ( $p=0.014$ ). Controlling for several other factors, it seems that membership of societies is the only independent variable with significance. Belonging to a stokvel, burial society or church group increased the possibility of not having to ask permission by 13.1%. In the case of asking permission to visit a friend outside the village, the variable showing the most statistical significance was being the head of the household. These women had a 35.7% better chance of not having to ask permission ( $p=0.005$ ). This could be because women who are the head of the household generally do not have partners: the data indicates that only 3.3% of all participating women are both married and heads of their households.

**Table 8.10: Probit results for intra-household decision-making**

Variables	Do not need permission to take child to hospital		Do not need permission to visit friends outside village	
	coef.	<i>p</i> value	coef.	<i>p</i> value
<b>Intervention</b>	<b>0.181**</b>	<b>0.014</b>	-0.082	0.150
<b>Primary school</b>	-0.000	0.999	<b>-0.114**</b>	<b>0.017</b>
<b>Some high school</b>	0.084	0.239	<b>-0.156***</b>	<b>0.002</b>
Completed high school and more	0.080	0.564	-0.077	0.336
Old age grant	0.001	0.995	-0.059	0.327
<b>Child support grant</b>	-0.091	0.244	<b>-0.110*</b>	<b>0.062</b>
Self-employed	-0.045	0.419	-0.010	0.829
<b>Employed</b>	0.138	0.179	<b>0.177*</b>	<b>0.082</b>
<b>Structure of house</b>	<b>0.108*</b>	<b>0.081</b>	<b>-0.099*</b>	<b>0.058</b>
<b>Head of household</b>	0.064	0.604	<b>0.357***</b>	<b>0.005</b>
<b>Member of different social clubs</b>	<b>0.131**</b>	<b>0.041</b>	0.092	0.117
# of observations	302		305	
r2_p	0.0560		0.149	

Key: \*  $p<0.10$ , \*\*  $p<0.05$ , \*\*\*  $p<0.01$

### Financial contribution and unpaid work

The second set of indicators of intra-household empowerment relates to how the woman's financial (i.e. money) and unpaid (i.e. household work) contribution is viewed by her partner. Table 8.11 lists the independent variables, which now include membership of different social groups as well as having access to a bank account.

Being a member of the intervention group was significantly and positively correlated with being seen to make the most important financial contribution to the household ( $p=0.003$ ). Recipients of microfinance were 12.3% more likely to be seen to make the most important

financial contribution; however, no significance was found as far as their unpaid (household) contribution was concerned. The financial contribution and unpaid work of women aged 30 to 39 were 24.3% more likely to be appreciated than those of women younger than 30, controlling for other factors. To verify this result, a variable “moneycont” was created to establish whether women between 30 and 39 were perhaps unmarried and therefore likely be acknowledged as the most important contributor. However, the results show that only a few of the women who were appreciated are both unmarried and aged 30 to 39. This result therefore indicates that women under 40 are more likely to be appreciated by their partners.

**Table 8.11: Probit results for financial and work contribution**

Variables	How is your financial contribution viewed in the household?		How is your unpaid contribution viewed in the household?	
	coef.	<i>p</i> value	coef.	<i>p</i> value
<b>Intervention group</b>	<b>0.123***</b>	<b>0.003</b>	0.020	0.686
<b>Age 30 to 39</b>	<b>0.243**</b>	<b>0.011</b>	<b>0.240***</b>	<b>0.008</b>
<b>Age 40 to 49</b>	0.103	0.239	<b>0.167*</b>	<b>0.060</b>
Age 50 to 59	0.053	0.551	0.114	0.214
Age 60 to 69	0.085	0.481	0.066	0.614
Age 70 to 99	-0.056	0.639	-0.078	0.584
Old age grant	0.068	0.417	-0.046	0.628
Child support grant	-0.023	0.587	-0.075	0.147
<b>Self-employed</b>	<b>0.175***</b>	<b>0.000</b>	<b>0.115***</b>	<b>0.009</b>
<b>Employed</b>	-0.008	0.889	<b>-0.144**</b>	<b>0.026</b>
<b>Structure of house</b>	<b>0.081**</b>	<b>0.022</b>	0.051	0.236
Church group	-0.040	0.330	-0.024	0.612
<b>Burial society</b>	<b>0.127**</b>	<b>0.018</b>	0.094	0.122
<b>Stokvel</b>	<b>-0.081**</b>	<b>0.040</b>	-0.026	0.589
<b>Access to bank account</b>	<b>0.085**</b>	<b>0.013</b>	<b>0.178***</b>	<b>0.000</b>
# of observations	705		705	
r <sup>2</sup> <sub>p</sub>	0.129		0.0879	

Key: \*\*\*  $p < 0.01$ , \*\*  $p < 0.05$ , \*  $p < 0.1$

Other results showing significance included being self-employed and belonging to a burial society. The self-employed variable was positively and significantly related to being appreciated. Controlling for other factors, self-employed women are 17.5% more likely to be appreciated. Similarly, the unpaid contribution of self-employed women was 11.5% more likely to be appreciated by their partners than that of unemployed women. Interestingly, women belonging to a burial society were 12.7% more likely to be appreciated for their financial contribution, but those who belonged to a stokvel were 8.1% less likely to be appreciated. This result is interesting, since both of these social groups require a financial

contribution. Using the predict variable “moneycont”, it was established that members of the control group have a predicted probability of 17.1% of being appreciated for their financial contribution if they are members of a burial society, compared to 32.2% for members of the mfi group (see Table 8.12).

**Table 8.12: Probability of being appreciated if member of a social group, by group**

	Member of a burial society	Member of a stokvel
Control group	17.0%	11.9%
Intervention group	32.2%	24.9%

### 8.2.5 Indicators of empowerment at the community level (“power with”)

Participation in social networks outside the household and within the community, and support to and from community members were the questions asked to measure “power with” or empowerment at the community level. Together, these questions provide a measure of social capital in each of the two groups, and the regression analysis seeks to establish if such social capital is more distinct in the mfi group (see section 8.2.6).

The analysis of variance shows evidence of higher membership in social networks (such as stokvels, church groups and burial societies) among the mfi group (see Table 8.13). Church and burial society membership is very high for both groups (80% and more). In the case of burial societies and stokvels, the mean membership is significantly higher among the mfi group than in the control group. If the fact that the intervention group already has (compulsory) membership of the SEF solidarity groups is considered, the mean membership is particularly high. During a discussion of initial findings, the fieldworkers conducting the interviews reported that stokvel membership seems to be very low in comparison to membership of a burial society (RADAR 2003:9). This was surprising, since both groups require a financial contribution, which means that financial ability may not be the deciding factor in joining either a burial society or a stokvel. Table 8.13 shows that, on average, fewer than 20% of both groups belonged to stokvels, while over 80% of both groups were members of a burial society. The reason could be that burial societies are seen as a “status thing” (RADAR 2003:9), since it is deemed important to be buried in style. Furthermore, Birungi (2007:58) finds that, in Uganda, burial societies are the most popular of all social groups, because “these groups also positively impact on household welfare. By sharing the burden of caring for the sick, counseling the bereaved, and meeting burial expenses, among others,

reduce emotional pressures and therefore mitigate the negative effects of such social problems and events on individual households.”

Stokvels, on the other hand, were not so much a status symbol as a way to smooth consumption. Collins et al. (2009:14) argue that “poor people need financial services more than any other group. Poor households ... have to manage a collection of relationships and transactions with others – family, neighbours, moneylenders, and savings clubs, constituting a set of formal, semiformal, and informal financial providers – that can fairly be described as a portfolio.” According to Pronyk (2006:41), all these social networks, even church groups that do not require a financial contribution, create “social and economic opportunities for improving access to material resources, either directly or indirectly”. There is evidence that the mfi group more often belonged to both burial societies and stokvels, which is already a good indication of increased financial ability. The main causes of this higher membership are discussed below.

**Table 8.13: Empowerment at the community level (“power with”)**

Community level						
Indicator	Desired outcome	Control group at follow-up		Microfinance group		Significance
		343	%	366	%	
<b>Social membership (all)</b> Do you belong to any of these groups or organisations?	Coded “ <i>Women who belong to a group as leader, active member or member</i> ” as 1, binary					
• Church (ff208)		274	79.88	300	81.97	0.480
• Burial society (burialsociety)		288	83.97	342	93.44	0.000 ***
• Stokvel (not SEF) (ff218/stokvel)		49	14.29	72	19.67	0.057 *
<b>Perceived community support/Collective action</b> Imagine that your house has been completely destroyed by a fire. Do you think you will be able to ask your family, friends and neighbours to:	Coded “ <i>My family, neighbours or people from the village will give me shelter and/or money</i> ” as 1, binary					
• Shelter you for two weeks while you make other long-term arrangements? (ff501a&ff501b&ff501c)		331	96.50	352	96.17	0.817

• To borrow R50 to help you buy some clothes after the fire? (ff502a&ff502b&ff502c)		334	97.38	360	98.36	0.363
---	--	-----	-------	-----	-------	-------

Key: \* p<0.10, \*\* p<0.05, \*\*\* p<0.01

The differences in the means of the responses for the second group of questions, measuring perceived community support in times of crisis, were not significant. However, the responses indicate a very high level of community support in both groups: over 95% of the women, in both groups, indicate that they will be “able to make a plan”, with the support of their community, in case of a crisis. From discussions among the fieldworkers who conducted the pilot interviews (RADAR 2003:6), it seems that they too were surprised by the very high level of mutual community support among almost all the respondents but were unable to identify a particular reason for this.

### 8.2.6 Regression results for community-level empowerment

Independent variables included membership of the mfi group, age and educational attainment, marital status, head of household status and employment status (see Table 8.14 for a list of variables per question). The first set of questions related to structural social capital, tested here by membership of different social groups or networks; the second set tested mutual community support in times of crisis (also called cognitive social capital).

**Table 8.14: Dependent and independent variables measuring *community-level empowerment***

Dependent variable	Independent variables
Membership of social networks	Intervention group, age (continuous), marital status, education, employment status, grants, head of household status

#### Membership of social networks

The analysis found that being part of the mfi group does not seem to be a significant predictor of membership of a social network. In fact, being part of a church group does not have any significant predictors, other than the fact that women who receive an old age grant are 13% more likely to belong to a church. This could be because some church groups select their members and often choose older women for positions of membership and leadership because they are frequently at home and more available than younger women (RADAR 2003:7).

**Table 8.15: Probits for social network membership**

Variables	Burial society membership		Stokvel membership	
	coef.	<i>p</i> value	coef.	<i>p</i> value
Intervention group	0.013	0.629	0.029	0.419
<b>Age</b>	<b>0.004***</b>	<b>0.004</b>	0.000	0.890
<b>Married</b>	<b>0.083***</b>	<b>0.005</b>	-0.017	0.693
Divorced	0.021	0.549	-0.072	0.159
Widowed	0.031	0.353	0.004	0.931
<b>Completed primary school</b>	<b>0.064**</b>	<b>0.021</b>	<b>0.096**</b>	<b>0.026</b>
<b>Some high school</b>	<b>0.071**</b>	<b>0.027</b>	<b>0.163***</b>	<b>0.007</b>
<b>Completed high school</b>	<b>0.076**</b>	<b>0.034</b>	<b>0.308***</b>	<b>0.003</b>
Old age grant	0.004	0.918	0.020	0.730
<b>Child support grant</b>	<b>0.065**</b>	<b>0.021</b>	0.018	0.647
<b>Self-employed</b>	<b>0.055**</b>	<b>0.025</b>	0.035	0.300
Employed	0.001	0.987	0.035	0.509
Head of household	0.050	0.100	-0.026	0.574
# of observations	707		707	
Pseudo R2	0.130		0.0415	

Key: \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$

Interestingly, the analysis found membership of a burial society to be significantly and positively correlated with age. For every additional year in age, the probability of belonging to a burial society increases by 0.4% ( $p=0.004$ ). Married women also have an 8.3% better chance of being a member of a burial society, controlling for a range of other factors. Receiving a child support grant also predicts membership of a burial society, with women receiving these grants being 6.5% more likely to belong to one. Self-employed women are also 5.5% more likely to belong to a burial society. Having completed school is a significant and positive predictor of stokvel membership, at 30.8%, controlling for other factors.

The predict variable “socialgroups” was used to see whether older women are more likely to belong to burial societies. On average, the predicted probability of belonging to a burial society is 95.0% for women over 70, as against 83.4% for women aged 30 and 39 (see Table 8.16). The fieldworkers’ discussion (RADAR 2003:13) revealed that there are many types of burial societies, and the questionnaire did not make sufficient provision for the different types. They distinguish between the smaller burial society that “brings water, firewood, money etc., and arrange the funeral when someone dies, while the larger burial society acts more like insurance policies”.

**Table 8.16: Predicted probability of burial society membership by age**

Age of women	%
30 to 39 years old	83.4%
70 and above	95.0%

From Table 8.17, it is clear that the women who belong to a burial society scored “higher” (meaning closer to zero) in the PWR done to identify eligibility for either of the two groups. This points to the fact that women who are better off, measured according to the PWR methodology, are more likely to be members of burial societies and stokvels.

**Table 8.17: Mean PWR score over membership of social networks**

Social network	Control group PWR score	Mfi group PWR score
<u>Burial society</u>		
Not a member	91.6	90.3
Member	90.2	89.4
<u>Stokvel</u>		
Not a member	90.5	89.5
Member	89.7	89.3

The SEF methodology of group lending is based on enhancing social capital among group members. SEF’s process of peer or solidarity group development serves to create solidarity and cooperation among the five members of the group. Since the women “guarantee” each other’s loans by paying a member’s loan payment if she is unable to do so, they build trust and social capital. The mfi group’s higher membership of all social networks, measured above, is indicative of both increased financial means (in the case of burial societies and stokvels) and increased social capital.

### **Perceived community support/Collective action**

The second set of questions dealt with the support women believe they have within the community. This perception of reciprocal support and collective action (also called cognitive social capital<sup>107</sup>) was tested with the following scenario: “*Imagine that your house has been completely destroyed by a fire. Do you think you will be able to ask your family and friends to: Shelter you for two weeks while you make other long-term arrangements? Borrow R50 to help you buy some clothes after the fire?*” In both cases, the perception of support was extremely high, with over 95% of all women feeling that they would be able to get this kind of support from their family, friends and neighbours. Since both groups showed very high positive responses, the difference in mean is not significant. Probit analysis was not performed on this result and the main finding here is that members of the mfi group and

<sup>107</sup> Cognitive social capital refers to the trust, reciprocity and/or cooperation among individuals within a community. Structural social capital refers to membership of different formal or informal social groups, and also to the quality of such group membership, if such information is available.

control group both perceive their communities to be particularly supportive. Pronyk (2006:46) points out that the community's socio-economic, political and cultural history creates the context within which interaction happens and, as such, it is difficult to judge the results outside the specific context.

### 8.3 DISCUSSION

The results of the regression analysis performed in this chapter do not fully support the hypothesis that microfinance contributes to empowerment on an individual, household and community level. The findings are mixed; in only two of the ten regression analyses, being part of the intervention group was found to be positive and significant, suggesting empowerment outcomes for the recipients. These two instances were both at the household level, where, first, the mfi group members had a 12.3% higher likelihood of being appreciated as the most important financial contributor and, second, they had an 18.1% higher likelihood of being able to take a child to hospital without their partner's permission. None of the regression analyses of the individual or community-level empowerment variables pointed to any positive, significant benefits for members of the mfi group.

If the regression analysis of all the empowerment outcomes is examined more closely, interesting results emerge. First, controlling for other factors, women with some secondary education were more likely, in almost all the regressions, to be more empowered than illiterate women. Controlling for a range of other factors, secondary education increases the likelihood of being confident by 23.4%, and the likelihood of advising others by 16.8%, in comparison to illiterate women. Women are also 12.7% more likely to be able to handle a financial crisis if they have some secondary education rather than being illiterate, and a 7.1% and 16% higher likelihood of belonging to a burial society and a stokvel, respectively, if they have a few years of secondary education, controlling for several factors.

Over the range of outcome variables tested, none of the other independent variables is as significant as access to secondary education, but being self-employed rather than unemployed also showed a level of significance across several regressions. Again, the likelihood of being confident and able to advise others was 16.6% and 12.0% higher, respectively, among women who are self-employed, and appreciation for their financial contribution and unpaid work rose as well. Controlling for other factors, self-employed women have a 17.5% higher

likelihood of being appreciated for their financial contribution to the household and 11.5% for their unpaid contribution, in comparison to unemployed women. Similarly, self-employed women are 5.5% more likely to belong to a burial society than unemployed women.

There is evidence that financial empowerment at the household level is significant for the mfi group, with members of the mfi group more often perceived to “make an important financial contribution” than members of the control group. The mfi group also shows higher membership of social networks than the control group, again indicating empowerment on the community level, but the regression does not show these outcomes as significant enough to be attributed to membership of the mfi group. Most of the remaining outcome indicators are either not significant or are better correlated with the control group than the mfi group.

The main explanation for these inconclusive results could be the short period over which the data was gathered. The two-year duration of exposure to microfinance is relatively short and it is recognised in the literature that shifts in qualitative empowerment measures, such as self-confidence and increased social capital, “require longer time frames to build and sustain” (Pronyk 2006:95). The impact of microfinance on selected indicators of livelihood security and well-being are investigated in Chapter 9, but the analysis done above suggests that members of the mfi group display very limited empowerment gains from their exposure to microfinance. Critics of microfinance continually ask if the extension of credit, in the absence of other intervention programmes (such as health or education), can really make a difference to the confidence of poor women. The main reason for this doubt is the evidence, discussed in Chapter 3, that access to microfinance does not necessarily signify control over the money and that such access can actually be disempowering in some cultures. Unfortunately, the results for self-confidence do not show any significant impact on the mfi group. The conclusion is either that the two years of exposure to microfinance were too short to affect individual empowerment or that microfinance does not seem to affect individual self-confidence but rather contributes to women’s financial empowerment.

Empowerment at the community level, measured through membership of social networks, denotes social capital. There is evidence that members of the mfi group more often belong to such networks, and that those who are also members of stokvels are more likely to achieve selected empowerment outcomes. This could indicate that access to microfinance does increase the likelihood of higher social capital, measured as membership of a social group. If

the fact that all mfi group members also participate in the compulsory SEF solidarity groups is considered, this result becomes more noteworthy. Social capital is also discussed as part of the indicators of livelihood security in the next chapter.

As discussed earlier, the livelihood portfolios of most participating women consisted of sporadic streams of regular and irregular income. Most women have an array of activities and income streams, ranging from enterprises to grant income and remittances. Furthermore, the women have to manage a multitude of demands, from day-to-day survival to longer-term business planning. If access to microfinance increased membership of a social group, and thus empowerment at the community level, there might a question of causality: does access to microfinance increase membership of social networks or is access to multiple social groups and networks a predictor of access to more financial resources?

## CHAPTER 9: THE EFFECT OF MICROFINANCE ON SELECTED INDICATORS OF LIVELIHOOD AND WELL-BEING

*“Our biggest challenge is knowing whether we are enabling our clients to improve their lives enough. We have tools to measure if a client’s life is improving but is it because of SEF or is it because there were better distributions of social grants in the area or was it because a new mine opened in the area?” (John de Wit, Chief Executive Officer of SEF, 2009:69).*

### 9.1 INTRODUCTION

This chapter also evaluates the link(s) between participation in a microfinance programme and observed changes in selected indicators, but now focuses on selected indicators of the livelihood and well-being of the participants. As in Chapter 8, where the link(s) between participation in a microfinance programme and observed changes in selected indicators of empowerment was investigated, this chapter focuses on the impact of microfinance on selected indicators of livelihood and well-being. In the conceptual framework (Chapter 5), the determinants of empowerment and well-being are defined in the context of rural South Africa. In this chapter, the data is analysed to establish the nature of and reason for the observed changes in livelihood security and well-being that took place during the study period, in order to:

- *Describe and examine* the nature of the responses received from both groups in terms of the selected indicators of livelihood and well-being.
- *Identify or isolate* the independent variables that had the strongest effect on the outcome variables, and establish the strength and direction (if any) of these causes.

The conceptual framework in Chapter 5 specifies, over and above the indicators of empowerment, that both livelihood security and economic well-being are important components of reducing vulnerability and poverty. The premise was that microfinance strengthens the power of the participating women at an individual, household and community level. However, the empirical evidence presented in Chapter 8 is not consistent with this hypothesis. While having access to microfinance was found to be positively correlated with some of the outcome variables, the empirical research could not prove that microfinance caused these improvements. In considering these findings, it could be suggested that the two-

year exposure to microfinance was too limited to affect agency and other qualitative dimensions of women's empowerment. This chapter evaluates the more measurable indicators, such as access to food, municipal services and assets, and as such the results are more immediately quantifiable and evident.

As indicated in Chapter 5, poor people survive by constructing livelihoods from a potential portfolio of assets. Their ability to construct and maintain this livelihood portfolio depends, among other things, on the "vulnerability context" of their lives. The poor face many external and internal risks on a daily basis. Their resilience, or capacity to deal with these risks, depends on the strength of their livelihood security. The literature suggests that this portfolio of assets is the poor's most important buffer against ever-present risks. Many of the assets (whether financial, physical or economic in nature) can be traded and, therefore, enable the household to deal with risks. While human and social assets also contribute to a household's livelihood security, they are often qualitative in nature and more difficult to measure. This interplay between the security of livelihoods and asset ownership is explored in this chapter. The first part (section 9.2) focuses on indicators of livelihood security, while the second part (section 9.3) focuses on tradable assets to measure well-being.

## 9.2 ANALYSIS OF INDICATORS OF LIVELIHOOD SECURITY

Livelihood security protects the household and the individual from being vulnerable and slipping into poverty. Secure and sustainable livelihoods are an essential component of well-being. It is very rare for households or individuals to experience well-being without first having security in their livelihoods. While food security is a necessary component of livelihood security, it is not sufficient. As described in Chapters 2 and 5, vulnerability is the result of poor people being exposed to risks. Kanbur and Squire (2001:205) believe poor people suffer from risk "because they lack the means to protect themselves adequately against it; this is what makes them vulnerable". As indicated by Nkurunziza and Rakodi (2005:12, quoted in Kane 2009a:9), it is not sufficient simply to analyse the risks and threats that poor households face; it is more important to look at "household resilience in resisting and recovering from the negative effects of a changing environment or their ability to exploit opportunities."

### 9.2.1 Research questions and responses regarding livelihood security

It was, therefore, important to select from the questionnaires those questions that provide (measurable) indicators of livelihood security. A suite of questions was selected, all of which could contribute to understanding the ability of households to resist and recover from shocks: their food security, their ability to meet their basic needs, their social (network) security and the levels of service they can access (measuring physical poverty). Although these are not tradable assets, they nevertheless buffer the poor against disasters.

For each of the selected livelihood security outcomes, Table 9.1 shows the question as it appeared in the questionnaire. The second column shows the desired answer, after which the sum and frequency of responses are shown for each group. The first two questions in Table 9.1 measure food security, the next six the ability of the household to meet its basic needs (e.g. health care, school uniforms and school fees) and the third group of questions the levels of external service delivery. The fourth group shows membership of both burial societies and stokvels, as membership not only relates to social capital but also serves as insurance or social security. Participation in or membership of a group is used as a proxy for social capital.

**Table 9.1: Indicators of livelihood security**

Indicator	Desired outcome or response	Control group at follow-up n=343		Microfinance group n=366		Mfi group result compared to control group result	Significance
		Freq.	%	Freq.	%		
<b>Food security</b>							
• During the last month, how often had most of the family had a meal that consisted of pap alone, bread alone or even worse? (hh601)	Coded response 1, "Never", as binary	145	42.27	291	79.51	Better	0.000 ***
• While living in your house during the past year, has anyone from your household gone to another house to ask for food or money because of a shortage? (ff608)	Coded response 1, "No", as binary	114	33.24	264	72.13	Better	0.000 ***
<b>Basic needs security</b>							
<b>During the past year, have you or your family</b>	Coded response 1,						

<b>gone without the following?</b>	“Never”, as binary						
New clothes (ff602)		89	25.95	240	65.75	Better	0.000 ***
School uniforms (ff603)		158	46.06	264	72.13	Better	0.000 ***
School fees (ff604)		160	46.65	259	70.77	Better	0.000 ***
Fuel for cooking and heating (ff605)		153	44.61	269	73.50	Better	0.000 ***
Basic household items for cleaning and cooking (ff606)		143	41.69	260	71.04	Better	0.000 ***
Health care – transport or money to get to clinic or hospital (ff607)		209	60.93	297	81.15	Better	0.000 ***
<b>Municipal service delivery</b>							
Does the household get its water from a tap on the plot? Tap (hh306)	Coded response 1, “Yes”, as binary	26	7.72	119	32.78	Better	0,004 **
Does the household have flush or pit toilet? Toilet (hh307)		262	76.38	329	89.89	Better	0,000 ***
Does the household have access to electricity? Electricity (hh308)		274	79.88	311	84.97	Better	0.075 **
Does the household have access to water on plot plus either a flush or pit latrine plus electricity? (Interaction variable) (servicesall)		15	4.37	90	24.59	Better	0.000 ***
<b>Membership of multiple social networks</b>							
Does the household belong to both a burial society and a stokvel? (Interaction variable) (societies)	Belong to both groups	43	12.54	67	18.31	Higher % of membership	0.033 **

Key: \* p<0.10, \*\* p<0.05, \*\*\* p<0.01

A clear pattern of better livelihood security is visible in the mean results of the responses of the mfi group compared to those of the control group. In all cases, the difference in the mean results is also significant. For both questions dealing with food security, the members of the mfi group are in a significantly better position after two years of receiving SEF loan finance than the control group. However, the ANOVA test does not explain the *cause* of the difference in results, and therefore this situation is not necessarily caused by microfinance. It is nonetheless interesting that the other indicators of livelihood security show a similar

pattern. For basic needs, there is a clear and consistently better pattern in the mfi group than in the control group, based on the significance of the difference in the mean results. This is an important indicator, since the household requires financial resources to obtain these basic goods. The possible causes of these results are investigated in more detail in the regression analysis in section 9.2.2 below.

While access to municipal services is also an important indicator of livelihood security, an individual household does not have full control over the level and accessibility of services. However, where an electricity grid is available, the household has access on demand, since it can purchase electricity vouchers. Access to electricity, water and sanitation contributes to a more predictable and humane living standard. The same picture of significantly better access to services is observed for the mfi households. The reason could be the two-year time lapse between the interviews of the control and the mfi groups. During this period (2004 to 2006), the government provided water and sanitation to many previously unserved rural areas. (Electricity supply did not change significantly.) As far as the last indicator, membership of multiple social networks, is concerned, significantly ( $p=0.033$ ) more mfi group members belong to *both* a burial society and a stokvel (savings group), based on the difference in the mean results.

In summary, according to basic variance of means analysis, the mfi group experienced significantly better food security than did the control group, they were better able to meet their basic needs, more women had access to basic municipal services and a higher level of membership of multiple social networks was observed. Importantly, the mfi group not only had control over these selected indicators of livelihood security more often, they also met their needs more often: they rarely went hungry, could satisfy their basic needs and more often had access to water on their plot. In fact, over 70% of the mfi group members reported being food secure and able to purchase enough to satisfy their basic needs.

However, as Carter and May (1999:16) point out, a bundle of livelihoods might look sufficient, but because returns to uneducated labour<sup>108</sup> are so low, the household needs claims on other economic and/or social assets to survive. It is also possible for a household to be

---

<sup>108</sup> One aspect of uneducated labour is the level of education completed. A quarter of women in the control group and 20% of women in the mfi group are illiterate, and only about 30% of the women in both groups continued school beyond primary level (see Table 7.5).

financially so constrained that it cannot effectively utilise the few assets it does control; then a “low-level equilibrium trap”<sup>109</sup> is present, as discussed in Chapter 2 (see, among others, De Janvry 1975; Carter & May 2003:16; Dorward et al. 2003; Kydd & Dorward 2003; Kydd 2010:431). These real tradable assets, such as financial and physical assets, are the focus of Chapter 9.3. First, the next section uses probit regression analysis to test whether access to microfinance improves the livelihood security of participating households.

### 9.2.2 Regression results for livelihood security

#### *Food security*

Table 9.3 shows the results of four probit regressions for food security. They were run to determine the impact of several variables on the probability of being food secure. Having regular access to a balanced meal during the past month (regression 1) and not experiencing food shortages during the past year (regression 3) were used as proxies for food security. In both regressions, the mfi group dummy was added. Regressions 2 and 4 repeat regressions 1 and 3 but restrict the sample by including only those women who did receive an old age or a child grant. This qualification was added to isolate the effect of the microfinance to a smaller, more homogeneous group. The factors controlled for are listed in Table 9.2: selected demographic indicators and other independent factors that could affect the security of the women’s livelihoods. These include access to grants, membership of social networks and access to electricity. Regressions 2 and 4 excluded both old age and child grants, but added these two groups as qualifiers. The selection of independent variables is based on the results of the theoretical analysis, the preliminary analysis in section 9.2.1 and several correlation tests.

**Table 9.2: Dependent and independent variables measuring food security**

Dependent variable	Independent variables
Balanced meal	Intervention group, marital status, education, grants, employment status, structure of dwelling, membership of social groups, access to electricity
Food shortages	

Table 9.3 reflects the results of the four probit regressions. Results for regressions 1 and 3 show that being a member of the mfi group is strongly and positively correlated with being food secure. Controlling for several other factors, women in the mfi group are, respectively,

<sup>109</sup> A low-level equilibrium trap exists if, for instance, there are impediments in a particular spatial area or sector, “that cannot be overcome solely by the market and/or collective action organizations” (Kydd 2010:431).

34.8% and 39.7% more likely to experience food security<sup>110</sup> than are women in the control group. A higher level of educational attainment is also positively correlated with food security, with the results of regression 1 showing a 26.2% higher likelihood for women who have completed high school to be food secure (compared to illiterate women). The same results are evident from the question about shortages: the probability of not having experienced food shortages over the past year is 23.9% higher among women who have completed high school.

**Table 9.3: Probit results for food security**

	Regression 1		Regression 2		Regression 3		Regression 4	
Variables	Access to balanced meal		Access to balanced meal: Only grant recipients		Food shortages		Food shortages: Only grant recipients	
	<i>coef.</i>	<i>p level</i>	<i>coef.</i>	<i>p level</i>	<i>coef.</i>	<i>p level</i>	<i>coef.</i>	<i>p level</i>
<b>Intervention group</b>	<b>0.348***</b>	<b>0.000</b>	<b>0.439***</b>	<b>0.000</b>	<b>0.397***</b>	<b>0.000</b>	<b>0.488***</b>	<b>0.000</b>
Married	0.020	0.708	-0.010	0.890	0.069	0.219	-0.034	0.689
Divorced	-0.100	0.195	-0.055	0.596	-0.012	0.876	-0.038	0.748
Widowed	-0.094	0.149	0.020	0.808	-0.031	0.645	0.012	0.899
<b>Primary school</b>	<b>0.096*</b>	<b>0.057</b>	0.031	0.624	<b>0.137**</b>	<b>0.010</b>	0.013	0.864
<b>Some high school</b>	<b>0.141**</b>	<b>0.016</b>	0.045	0.555	<b>0.179***</b>	<b>0.004</b>	-0.048	0.607
<b>Completed high school</b>	<b>0.262***</b>	<b>0.005</b>	-0.059	0.704	<b>0.239**</b>	<b>0.027</b>	0.058	0.739
<b>Old age grant</b>	<b>0.169***</b>	<b>0.004</b>	-	-	<b>0.152**</b>	<b>0.018</b>	-	-
<b>Child support grant</b>	0.031	0.572	-	-	-0.093	0.102	-	-
<b>Self-employed</b>	0.034	0.451	0.051	0.387	0.009	0.850	0.039	0.572
<b>Employed</b>	0.043	0.526	0.098	0.288	0.014	0.841	0.138	0.214
<b>Structure of dwelling</b>	<b>0.116**</b>	<b>0.014</b>	<b>0.142**</b>	<b>0.014</b>	0.040	0.393	0.043	0.497
<b>Member of burial society</b>	<b>0.230***</b>	<b>0.000</b>	0.133	0.229	<b>0.227***</b>	<b>0.001</b>	0.196	0.125

<sup>110</sup> The first percentage reports on the first question: "During the last month, how often had most of the family had a meal that consisted of pap alone, bread alone or even worse?" The second percentage reports on the question: "While living in your house during the past year, has anyone from your household gone to another house to ask for food or money because of a shortage?"

Stokvel	0.049	0.357	0.027	0.684	0.001	0.990	<b>-0.128*</b>	<b>0.088</b>
Access to electricity	-0.051	0.320	-0.005	0.938	<b>-0.099*</b>	<b>0.065</b>	0.022	0.783
# of observations	705		316		705		316	
Pseudo R2	0.162		0.145		0.151		0.133	

Key: \* p<0.10, \*\* p<0.05, \*\*\* p<0.01

In regressions 2 and 4, which include only the 316 women who receive old age or child grants, the marginal effect for the mfi group remains positive and statistically significant. This suggests that the microfinance had an independent effect on both these food security variables.

The fact that the probability of being food secure increases from 34.8% (regression 1) to 43.9% (regression 2) and from 39.7% (regression 3) to 48.8% (regression 4) may suggest that the microfinance intervention is particularly effective when the women have some access to grants, whether an old age or a child grant. For completeness, exactly the same probit regression was performed on those women who did not receive either grant. Although not shown, the results for both food security questions indicate that being a member of the mfi group is (still) significantly and positively correlated with food security. As expected, the probability decreases slightly, to 30.2% (for the balanced meal variable) and 36.3% (for the food shortages variable). This result suggests that the effect of the access to microfinance is marginally less if there is no access to grants.

Controlling for other factors, the results also suggest that living in dwellings made of bricks (as opposed to mud and sticks) increases the probability of being food secure by 11.6% in regression 1. It is, however, difficult to establish the direction of causality in this particular case, and this may well be an endogenous result. Recipients living in brick houses might have higher incomes, explaining, among other things, the fact that they are more food secure. The independent variable with the strongest correlation with the outcome variables is membership of a burial society. In regressions 1 and 3, membership of a burial society is also found to increase the probability of having access to a balanced meal and not suffering food shortages by 23.0% and 22.7% respectively.

***Basic needs security***

While Table 9.1 reflected six questions on the respondent's ability to meet selected basic needs, regression analysis is reported for three of the six basic needs that the families of the two groups "never had to go without during the past year". Table 9.4 shows the selection of independent variables that could potentially affect the household's ability to purchase these basic goods, such as employment status, access to grants, membership of social groups, and the structure of the dwelling.

**Table 9.4: Dependent and independent variables measuring basic needs security**

<b>Dependent variable</b>	<b>Independent variables</b>
Money to buy new clothes	Intervention group, education (secondary only), grants, employment status, structure of dwelling, membership of social groups, head of household
Able to buy essential household goods	
Have the means to travel to clinic or hospital	

Table 9.5 shows two sets of regression results for each of the three basic needs questions. The results of regression 1 include controls for both old age and child grants, while those of regression 2 do not control for these two variables but add them as qualifiers. The rationale is to restrict the group to grant recipients only in order to verify whether the probability established in regression 1 is upwardly biased because of the grants. In the pooled group regressions (regression 1), this effect is difficult to isolate. It is clear from Table 9.5 that there is a significant correlation between membership of the mfi group and the ability to meet a range of basic needs. Membership of the mfi group increases the probability of basic needs security by 42.0% in the case of "buying new clothes the past year" and by 27.0% for "buying household items for cleaning and cooking". Similarly, compared to women who completed only primary school, those who completed high school are far more likely to satisfy their basic needs (21.5% in the case of buying new clothes, 8.2% for buying household goods and 11.0% for travelling to a clinic).

**Table 9.5: Probits for basic needs security**

Variable	Have enough money to buy new clothes		Able to buy essential household goods		Have the means to travel to clinic or hospital	
	1	2 Grant recipients only	1	2 Grant recipients only	1	2 Grant recipients only
	<i>coef.</i> <i>p</i> value	<i>coef.</i> <i>p</i> value	<i>coef.</i> <i>p</i> value	<i>coef.</i> <i>p</i> value	<i>coef.</i> <i>p</i> value	<i>coef.</i> <i>p</i> value
<b>Intervention group</b>	<b>0.420***</b> <b>0.000</b>	<b>0.391***</b> <b>0.000</b>	<b>0.270***</b> <b>0.000</b>	<b>0.348***</b> <b>0.000</b>	<b>0.216***</b> <b>0.000</b>	<b>0.197***</b> <b>0.004</b>
<b>Completed high school</b>	<b>0.215***</b> <b>0.000</b>	<b>0.123*</b> <b>0.068</b>	<b>0.082*</b> <b>0.066</b>	-0.012 0.844	<b>0.110***</b> <b>0.005</b>	0.014 0.790
<b>Old age grant</b>	<b>0.179***</b> <b>0.005</b>	-	<b>0.155***</b> <b>0.008</b>	-	0.063 0.216	-
<b>Child support grant</b>	-0.052 0.350	-	-0.015 0.784	-	0.058 0.234	-
<b>Self-employed</b>	<b>0.090*</b> <b>0.058</b>	<b>0.141**</b> <b>0.032</b>	0.015 0.737	-0.041 0.511	-0.026 0.520	0.073 0.141
<b>Employed</b>	-0.042 0.565	-0.112 0.303	<b>0.158**</b> <b>0.019</b>	0.143 0.167	-0.016 0.801	<b>0.144**</b> <b>0.046</b>
<b>Structure of dwelling</b>	<b>0.165***</b> <b>0.000</b>	<b>0.140**</b> <b>0.028</b>	<b>0.096**</b> <b>0.037</b>	0.092 0.125	<b>0.167***</b> <b>0.000</b>	<b>0.139***</b> <b>0.008</b>
<b>Member of burial society</b>	0.085 0.205	0.051 0.680	<b>0.286***</b> <b>0.000</b>	<b>0.360***</b> <b>0.003</b>	<b>0.121**</b> <b>0.031</b>	<b>0.220**</b> <b>0.035</b>
<b>Member of stokvel</b>	<b>0.136**</b> <b>0.014</b>	0.090 0.238	0.046 0.388	-0.066 0.347	0.035 0.468	<b>0.096*</b> <b>0.090</b>
<b>Head of household</b>	<b>-0.086*</b> <b>0.058</b>	0.021 0.744	-0.020 0.649	0.035 0.553	<b>-0.103***</b> <b>0.007</b>	-0.076 0.115
# of observations	705	316	705	316	705	316
Pseudo R2	0.182	0.122	0.106	0.081	0.094	0.120

Key: \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$

The results of regression 2 exclude a control for the old age and child grants but limit the women to those who receive either grant. In the case of “buying new clothes the past year”, restricting the sample to grant recipients did lower the marginal effect of being in the mfi group slightly (relative to the pooled sample), from 42.0% to 39.1%, but the coefficient remains significant (0.00%). In the case of the question “have the means to travel to clinic or hospital”, a similar result is found. The coefficient remains significant (0.004%) but the probability that a member of the mfi group is more likely to “have the means” is slightly lower at 19.7%. Other significant predictors of the ability to buy new clothes include being self-employed (9.0%); in this restricted sample, the marginal effect is higher, at 14.1%, suggesting that women who receive a grant are more likely to be self-employed.

When the second question, “buying household items for cleaning and cooking”, is analysed for the restricted (grant recipient) group, the result remains significant (0.00%) and the marginal effect of the mfi group increases (to 34.8%). This may suggest that members of the mfi group are marginally more likely to buy a range of basic household goods if they receive a grant.

Interestingly, regression 1 results show that women who live in a brick dwelling (as against mud and stick dwellings) are, respectively, 16.5%, 9.6% and 16.7% more likely to meet the three different types of basic needs. However, the direction of causality could, again, skew this result, since it is difficult to establish the endogeneity. Being the head of the household reduces the probability of being able to meet basic needs, which could reflect the many demands that women-headed households face. A predict variable “clothes” was created to see whether being married changed this result, considering that very few married women are heads of their households (as noted, only 3.3% of all participating women are both married and heads of their households). The result in Table 9.6 confirms that being married increases the likelihood of being able to buy new clothes, in both groups.

**Table 9.6: Average predicted probability of buying new clothes (one of the basic needs variables)**

	<b>Control group</b>	<b>Mfi group</b>
% predicted ability to buy new clothes	25.8%	65.4%
% predicted ability to buy new clothes if married	27.7%	69.4%

South African research (Steinberg et al. 2002:17) reports that very vulnerable poor households with HIV and AIDS patients are often forced to reduce their spending on basic needs, such as clothes, in order to care for the ill. May (2010:12) also refers to Steinberg et al. (2002), who report that non-payment of school fees is one of the coping strategies of households with HIV-infected members. The finding that mfi members are increasingly able to satisfy the selected basic needs is important and may indicate that they are possibly becoming less vulnerable.

***Municipal service delivery***

Individual households do not have control over the availability of basic municipal services<sup>111</sup> such as water, sanitation and electricity in the village. The local authority is primarily responsible for bringing water, electricity and sanitation infrastructure to the village. The household can, however, invest in pipes to bring water into the dwelling or purchase vouchers to use electricity from the grid. The fact that almost a third of the mfi households had a tap on their plot could also indicate some form of own investment or their residential choice, but Table 9.7 shows that mfi members with water on the plot scored higher in the initial PWR ratings than did members of the control group. The cause of the investment is thus unclear; it could simply be that the particular mfi members would have invested in improved water infrastructure regardless of the microfinance.

**Table 9.7: Access to water on plot over PWR score**

<b>Water</b>	<b>Number and % of households with water on plot</b>	<b>Mean PWR score</b>
Control group n=343	26 (7.7%)	93.3
Mfi group n=366	119 (32.8%)	90.2

Very few households had access to a full or even just a basic level of service.<sup>112</sup> In fact, less than 5% of the households represented by the women in the control group had access to water on their plot or to grid electricity, and had either a flush or pit toilet. About a quarter of the mfi group did have access to this level of service in 2006<sup>113</sup>. The regression analysis in Table 9.8 indicates that members of the mfi group have a 21.3% likelihood of access to all three of these municipal services and, controlling for other factors, self-employed women have a 7.2% better chance of access than unemployed women. Compared to women living in dwellings made of mud and sticks, those who live in brick houses are 12.0% more likely to have access to all three municipal services.

<sup>111</sup> Basic municipal services in South Africa include housing, water, sanitation, refuse and waste removal, and electricity and energy. The questionnaire contained questions about the type of access to water (e.g. “tap on plot” or “tap in village”), the type of toilet in use (“modern with flush”, “pit latrine” or “no facility”) and whether the household had access to electricity.

<sup>112</sup> A full level of service includes piped water inside the dwelling, a flush toilet connected to a sewage system and access to electricity on the grid. A basic level of service refers to piped water on the plot or less than 200 metres away, a flush or pit latrine with ventilation and a connection to the grid.

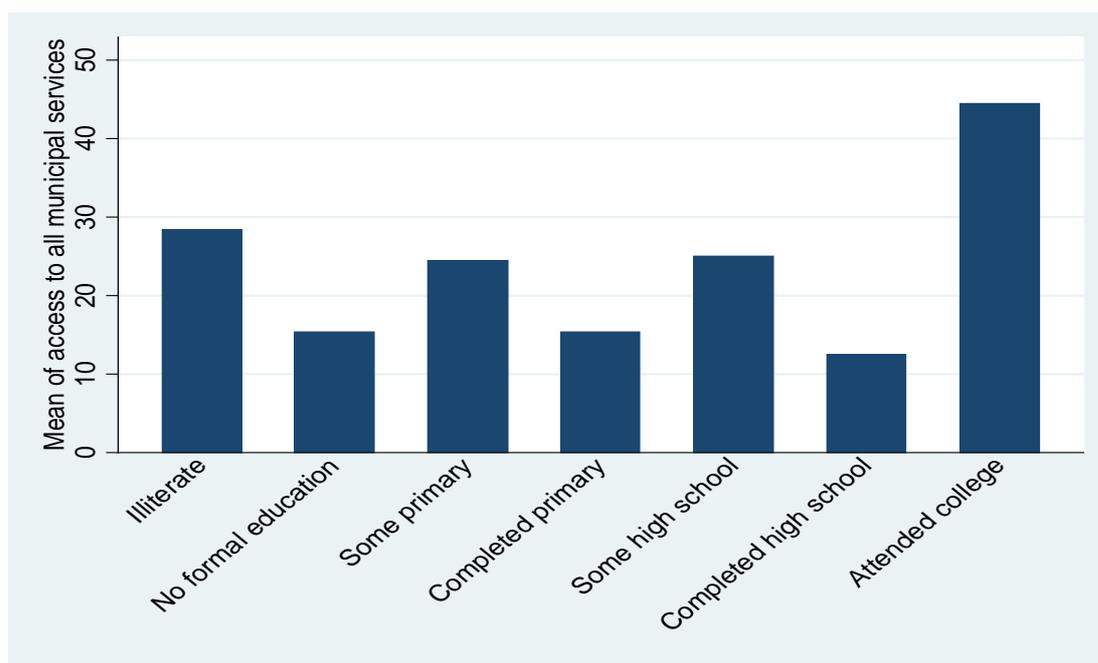
<sup>113</sup> See Table 7.4 for access to services and the condition of the dwelling structure for both groups.

**Table 9.8: Probit for full service access**

Variables	Regression 1	
	Access to all three municipal services	
	coef.	<i>p</i> level
<b>Intervention group</b>	<b>0.213***</b>	<b>0.000</b>
<b>Married</b>	<b>-0.073**</b>	<b>0.025</b>
Divorced	-0.046	0.267
Widowed	0.023	0.586
Old age grant	-0.037	0.257
Child support grant	-0.033	0.218
<b>Self-employed</b>	<b>0.072**</b>	<b>0.011</b>
Employed	0.006	0.896
<b>Brick dwelling</b>	<b>0.120***</b>	<b>0.000</b>
<b>Access to land</b>	<b>-0.054**</b>	<b>0.046</b>
<b>Head of household</b>	<b>-0.080**</b>	<b>0.033</b>
# of observations	705	
Pseudo R2	0.208	

Key: \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$

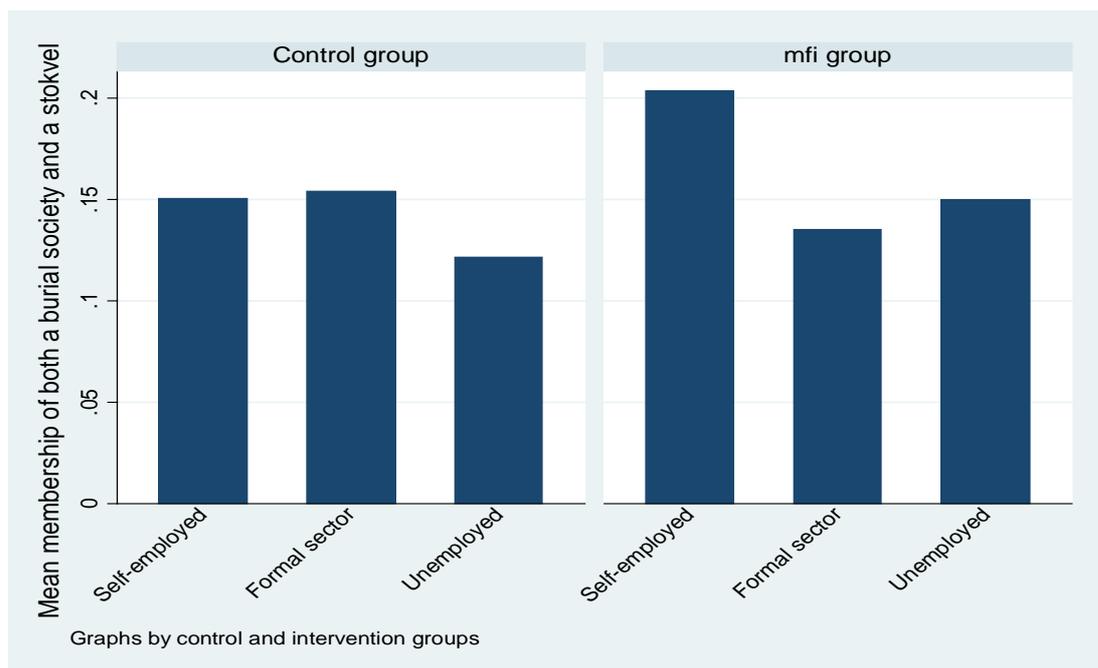
While not included in the regression, there is a strong correlation between education levels and access to full services. Figure 9.1 reflects the mean access to full services by the level of education achieved (for the mfi group only) and shows that 45% of the women who attended college had access to water on their plot, either a flush or pit toilet, and access to grid electricity.

**Figure 9.1: Access to full municipal services by level of education completed**

**Social network membership**

One of the indicators of livelihood security selected for analysis is membership of multiple social networks. According to Pronyk (2006:36, 96), membership of social networks or “the social relationships that surround the individual” is used as a proxy for (structural<sup>114</sup>) social capital. The rationale for including this indicator is that such social networks “create social and economic opportunities for improving access to material resources, either directly or indirectly” (Pronyk 2006:41). The analysis showed that members of the mfi group more often belong to both burial societies and stokvels: 18.3% of the mfi group members belong to both a stokvel and a burial society, as against 12.5% of the control group (see Table 9.1). While this result indicates a significant difference in the mean membership of the two groups ( $p=0.033$ ), it becomes even more pronounced when the mfi group’s membership of the SEF solidarity group is taken into consideration. The data suggests that membership of the SEF solidarity group enhanced membership and participation in other social groups (i.e. burial societies and stokvels). This could, however, also be a consequence of the improved availability of resources, since both groups require a financial contribution to sustain membership. The figure below shows that more than a fifth of all self-employed women in the mfi group are also members of both a burial society and a stokvel.

**Figure 9.2: Mean membership of both a burial society and a stokvel, by employment status**



<sup>114</sup> Structural social capital is membership of informal and formal social groups, while cognitive social capital refers to more qualitative indicators such as trust, reciprocity and cooperation.

### 9.3 ANALYSIS OF INDICATORS OF WELL-BEING

This section describes and measures indicators of well-being. The literature is clear on the importance of livelihood security as a means to combat poverty. Families that have limited resources for dealing with crises (e.g. illness, accidents, death or floods) or large expenses (e.g. school fees, funerals or loss of income) are exposed to Calvo's (2008) *vulnerability to multidimensional poverty* (VMP). As described in Chapter 2, multidimensional poverty requires many different responses and, therefore, ownership of tradable assets matters. Households with control over productive assets such as land, vehicles and livestock, as well as access to finance (e.g. a bank account or microfinance) are less vulnerable to such multidimensional poverty (Hassan & Birungi 2011:31). Bundles of assets offer potential income and consumption possibilities, given a positive market context (Carter & May 1999:2).

Four indicators of well-being are selected from the questionnaires to see whether the recipients of microfinance fared better than members of the control group. These are: own perceptions of economic well-being, access to financial assets and financial behaviour, and tradable assets. The fourth indicator – household expenditure on selected items – was only available for the mfi group, and is reported separately (see Table 9.10). Table 9.9 describes the observed trends in the responses to the first three of these indicators of well-being.

#### 9.3.1 Research questions and responses for indicators of well-being

Using one-way analysis of variance to see whether the mean results of the two groups differ significantly, the three indicators of economic well-being are assessed, starting with the woman's own perceptions of how her household is performing relative to other households in the same village. Sen (1999) argues that poverty is *relative* in the spaces of income and resources but *absolute* in the space of capability. It is these relative or comparative perceptions that are measured by the first two questions (on the woman's perception of her own wealth). While the mean result for the mfi group's perception of their own well-being is higher than for the control group, this question is so relative that the response is not particularly meaningful. The way the question is phrased speaks to the perception of the individual; both groups convey positive perceptions about their relative position. However, the second question specifically enquires about their assessment of *improved* wealth (over

time). Three-quarters of the mfi group answered that “things are going well or going normally”, while only half the control group concurred (see Table 9.9).

**Table 9.9: Indicators of economic well-being**

Indicator	Desired outcome or response	Control group at follow-up n=343		Microfinance group n=366		Result p value
		Freq.	%	Freq.	%	
<b>Perception of own wealth</b>						
How would you describe the wealth of your household within this village? (hh701)	Coded “ <i>About the same or a bit better off than most people</i> ” as 1, binary	145	42.27	222	60.66	0.000 ***
Think about the last year in comparison with other years. How would you say things have been going? (hh702)	Coded “ <i>Going well or going normally</i> ” as 1, binary	176	51.31	271	74.04	0.000 ***
<b>Financial assets</b>						
Do you or someone in the household have a bank account? (hh501)	Coded “ <i>Yes</i> ” as 1, binary	102	29.74	158	43.17	0.000 ***
Do you or someone in the household currently owe anyone money? (hh502)	Coded “ <i>No</i> ” as 1, binary	251	73.18	112	30.60	0.000 ***
<b>Debt</b>	Coded “ <i>Yes</i> ” as 1, binary	92	26.82	254	69.40	0.000 ***
Will you or someone in the household be able to get an emergency R50 loan to pay an official body back? (hh504)	Coded “ <i>No problem</i> ” as 1, binary	23	6.71	170	46.45	0.000 ***
<b>Physical assets (collateral type)</b>						
Does this household own any of the following items (productive assets)?						
Own a car or motorcycle	Number of assets owned	3	0.88	2	0.55	0.597
Own a cell phone (hh407a) onecel		109	31.78	140	38.25	0.071 **
<b>Do you have any of the following and how many?</b>						

<ul style="list-style-type: none"> <li>• Own between one and four cows</li> <li>• Own more than four cows</li> </ul>		25	7.29	26	7.10	0.924
		9	2.62	27	7.38	0.004 ** ■■■■■■■■
Goats: Own one or more goats @ R250 each (hh409) goats		86	25.07	71	19.04	0.069 **
Own a small piece of land + Own a medium-sized piece of land + Own a large piece of land (hh401a, b & c)		95	27.70	74	20.22	0.02 **

Key: \* p<0.10, \*\* p<0.05, \*\*\* p<0.01

The second group of questions were about access to financial services (i.e. a bank account) and financial behaviour (e.g. debt or emergency loans). Once more, the responses of the mfi group are indicative of a much higher mean result than those of the control group, in both their access to and use of financial resources. Almost half the members of the mfi group had bank accounts,<sup>115</sup> as against the control group’s 29.7%. In answer to the question on an emergency loan of R50, almost half of the mfi group again thought it possible, compared to only 6.7% of the control group. More members of the mfi group had debt, which is obvious since their SEF debt is included: almost 70% had debt,<sup>116</sup> a third of which was SEF debt and another third was outstanding credit at a shop or store, suggesting an enterprise (see Table 9.5 for a detailed list of all outstanding debt). The literature suggests that access to a portfolio of financial assets, such as loans, savings and store credit, helps the household to smooth consumption and better manage unexpected risks, thus reducing its vulnerability (May 2006:335; Moser 2006; Collins et al. 2009). In other words, increased use of a larger variety of financial instruments indicates a stronger buffer against vulnerability.

Collins et al. (2009:11) tracked changes in both the physical and financial assets of the poor.<sup>117</sup> Financial wealth includes loans, savings and cash income (e.g. wages, remittances

<sup>115</sup> SEF does not require women to have individual bank accounts. SEF opens a group savings account in the name of the group but the fieldworkers were briefed not to count such group savings accounts as bank accounts.

<sup>116</sup> Not all SEF clients had outstanding SEF loans on the particular days of the interview.

<sup>117</sup> The book, *Portfolios of the poor* (Collins et al. 2009), reports on the financial behaviour of the poor in Bangladesh, India and South Africa. The South African research was conducted in Mount Frere (Eastern Cape), Diepsloot (Johannesburg) and Langa (Cape Town). In total, over 300 households were visited twice a month over a period of a year to enable the fieldworkers to construct “diaries” of the households’ financial behaviour. It was found that poor households use a mix of instruments to manage their finances and, on average, use more financial instruments than do rich households. These include membership of (several) burial societies or stokvels, credit at different shops and loans from different sources.

and grants), whereas physical wealth refers to assets such as livestock and land. Looking at the “net wealth profile” presented by the South African part of their diaries study (see Footnote 116), it is clear that physical assets made up the larger proportion of net worth, but that “most of the wealth changes over the year were in financial rather than physical wealth” (Collins et al. 2009:11). The research points out that, internationally, the share of non-financial assets in total assets is higher for the lower income quintiles (Collins et al. 2009:248) but that financial asset management is a stepping stone to building net worth.<sup>118</sup>

It is precisely in the responses about physical assets that the only varied responses were observed. While both car and cell phone ownership had increased among the mfi group, less than 1% of the participating households in both groups had a car. The higher mean result for cell phone ownership could, as with municipal services, be explained through the increased availability of cell phones between 2004 and 2006. Ownership of productive assets such as land and livestock is the more important indicator. SEF aims to ensure that its clients increase their productive asset base. Ownership of productive assets contributes to higher earnings in rural Uganda (Hassan & Birungi 2011: 31), where it “acts as a cushion against shocks and reduces vulnerability to poverty”. For purposes of this study, productive assets are captured by ownership of land and livestock: ownership of a cow(s), goats and land is used as a proxy for ownership of productive assets. Conversations with fieldworkers (RADAR 2002b:5) revealed that cows are “very valuable” and that “some villagers kept a herd of cattle, and live off the profits from the annual sale of a fraction of the herd”. Members of the mfi group did seem to own more cows (27 mfi households owned more than four cows while only nine in the control group did) but they owned slightly less land and fewer goats. At the time of the baseline interviews of the control group, goats cost R250 each (RADAR 2002b:5), and the fieldworkers agreed that goats are valuable in that they are used as lobola<sup>119</sup> and for ceremonial and religious purposes, and “finally people eat goats”.

Figures for expenditure on renovations and improvements to the dwelling were available only for the mfi group (see Figure 9.3 for distribution of expenditure). These are summarised in Table 9.10. The mfi-only questionnaire<sup>120</sup> enquired about the amount every household (represented by the member of the mfi group) spent during the past year on “renovating or

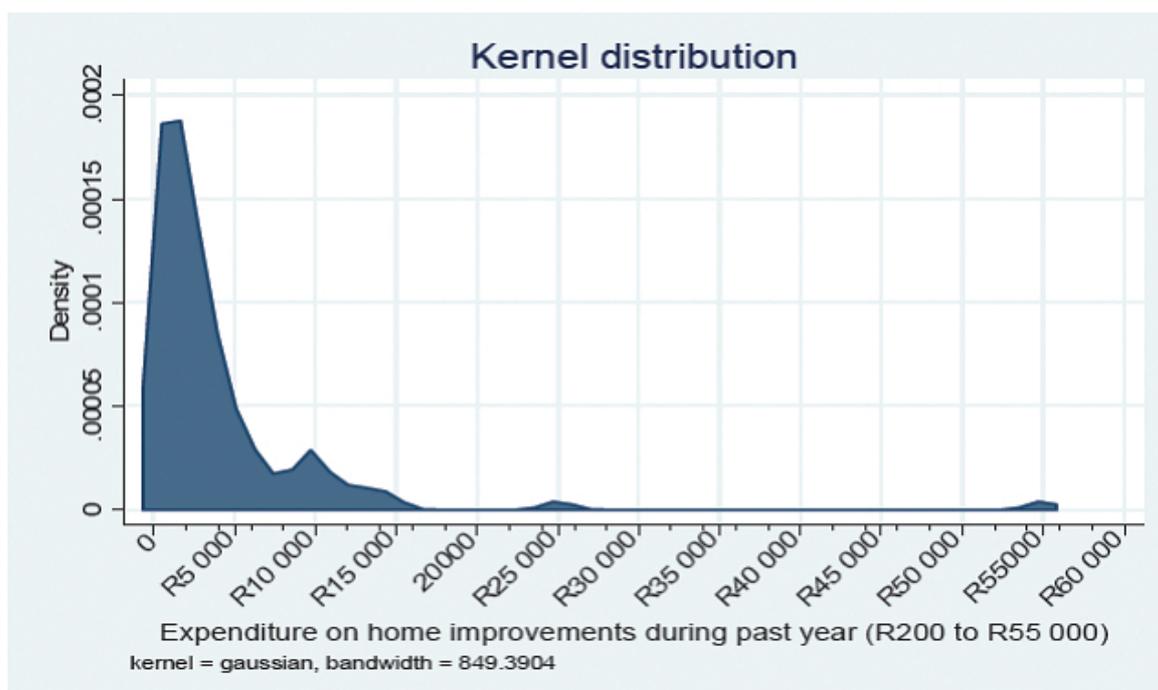
<sup>118</sup> Among the 152 households studied as part of the *Portfolios of the poor* research in South Africa, only 3% had negative net worth (Collins et al. 2009:8).

<sup>119</sup> Lobola is the price a man has to pay for his bride.

<sup>120</sup> See section hh391 of Household Details: Microfinance Alone Survey Interview, attached as Annexure IV.

improving your household”. When all 366 households are considered, the annual mean expenditure on housing improvements was R1 234, while married women spent a mean of R1 605 and women who completed high school spent R2 093 (against an average of R940 for illiterate women). Women with a bank account spent R1 795 and self-employed women spent slightly more (R1 403) than the average. In summary, married, educated and self-employed women of between 50 and 60 who have a bank account spent significantly more than did other women in the same mfi group. Also, women with more productive assets spent more than other women; for instance, mfi group members with more than four cows spent an average of R1 966, while women without any cows spent R1 187.

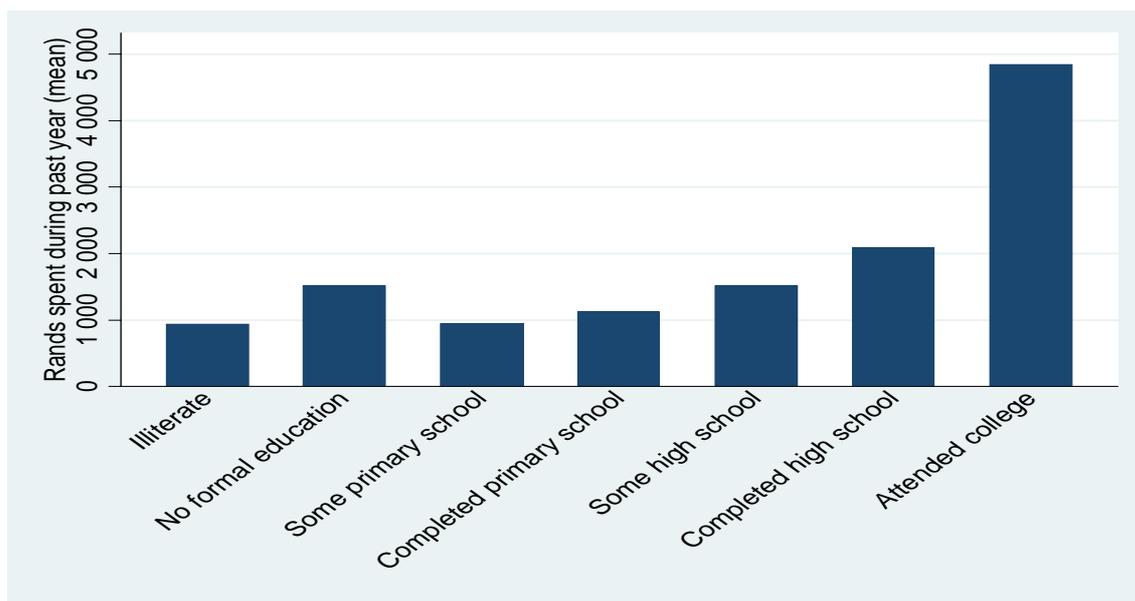
**Figure 9.3: Kernel distribution showing amount spent on housing improvements during past year, between R200 and R55 000**



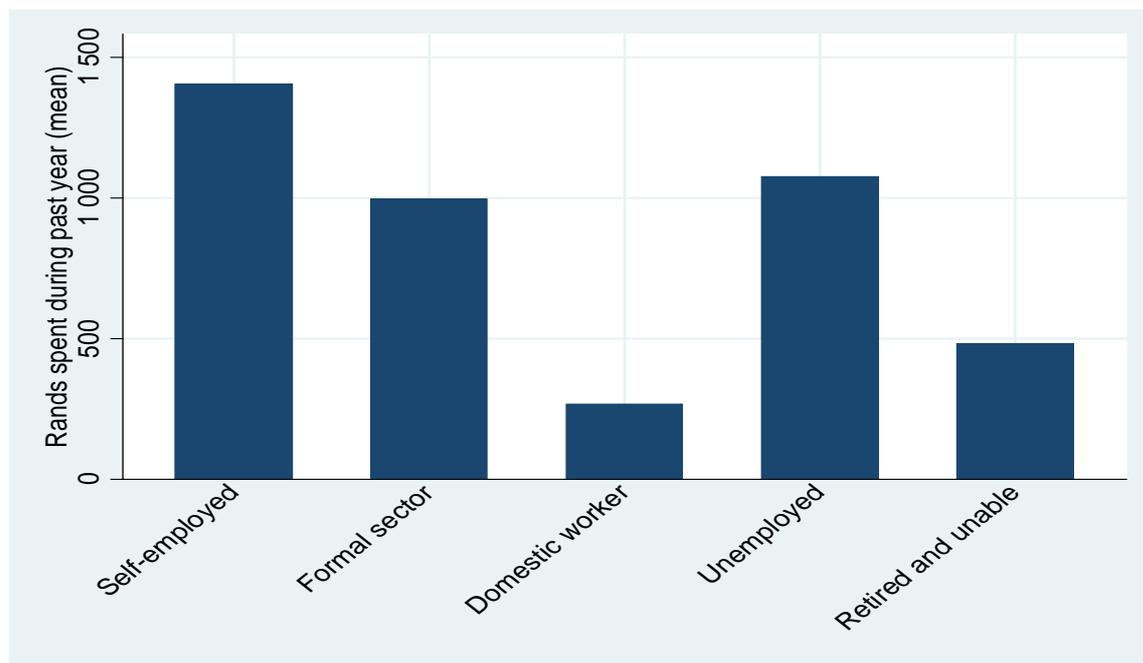
**Table 9.10: Household expenditure on housing improvements during past year (mfi group)**

<b>“Estimate the amount of money that has been spent in renovating or improving your household during the last year”</b>	<b>R spent</b>
Mean expenditure over 12 month period	R1 234
Minimum	R0
Maximum	R55 000
Married	R1 605
<b>School level</b>	
Illiterate	R1 027
Completed primary school	R1 125
Completed high school	R2 093
Attended college	R4 844
<b>Employment level</b>	
Self-employed	R1 403
Formal sector	R995
Domestic	R266
Unemployed	R1 075
<b>Number of cows owned</b>	
Four cows	R1 966
No cows	R1 187

**Figure 9.4: Amount spent on renovating or improving housing during past year, by level of education (R, mean)**



**Figure 9.5: Amount spent on renovating or improving housing during past year, by type of employment (R, mean)**



### 9.3.2 Regression results for indicators of well-being

#### *Perceptions of own well-being*

To assess the impact of microfinance on the well-being of participants, controlling for selected demographic and other variables (see Table 9.11), a probit regression was run to determine the effect on perceptions of well-being. The regression analysis confirms the results of the one-way analysis of variance reported above (see Table 9.9).

**Table 9.11: Dependent and independent variables measuring well-being**

Dependent variable	Independent variables
Perception of own wealth and improvement over the past year:	
Regression 1	Intervention group, education (secondary only), child support grant, employment status, structure of dwelling, access to municipal services, head of household
Regression 2	Adds old age grant as a control

Similar to the indicators of livelihood security, the results show that being a member of the mfi group is positively and significantly associated with increased well-being across almost all the indicators. Perceptions of economic well-being were measured by the question: “Think

about the last year in comparison with other years. Would you say things have been going well/going about normally?” It generated a mean response among the mfi group of almost 75%, while only about 50% of the control group answered in the affirmative (see Table 9.9). The probit regression in Table 9.12 attempts to isolate some of the causes of the difference in the mean response of the two groups.

**Table 9.12: Probits for wealth perceptions**

	(1)	(2)	(1)	(2)
Variables	Perception of own wealth		Better than a year ago	
	<i>coef.</i> <i>p value</i>	<i>coef.</i> <i>p value</i>	<i>coef.</i> <i>p value</i>	<i>coef.</i> <i>p value</i>
<b>Intervention group</b>	<b>0.238***</b> <b>0.000</b>	<b>0.199***</b> <b>0.000</b>	<b>0.243***</b> <b>0.000</b>	<b>0.175***</b> <b>0.000</b>
<b>Completed high school</b>	<b>0.176***</b> <b>0.000</b>	<b>0.192***</b> <b>0.000</b>	<b>0.140***</b> <b>0.001</b>	<b>0.166***</b> <b>0.000</b>
<b>Old age grant</b>	–	<b>0.136**</b> <b>0.026</b>	–	<b>0.222***</b> <b>0.000</b>
<b>Child support grant</b>	<b>-0.107**</b> <b>0.039</b>	-0.069 0.206	-0.067 0.192	-0.001 0.983
<b>Self-employed</b>	<b>0.078*</b> <b>0.077</b>	<b>0.103**</b> <b>0.024</b>	<b>0.097**</b> <b>0.020</b>	<b>0.140***</b> <b>0.001</b>
Employed	0.015 0.829	0.060 0.397	0.053 0.404	0.123* 0.051
<b>Structure of dwelling</b>	<b>0.183***</b> <b>0.000</b>	<b>0.187***</b> <b>0.000</b>	0.042 0.353	0.046 0.315
Access to land	-0.037 0.425	-0.047 0.317	0.010 0.817	-0.008 0.864
<b>Access to water</b>	-0.026 0.565	-0.022 0.629	<b>-0.105**</b> <b>0.014</b>	<b>-0.101**</b> <b>0.018</b>
<b>Access to toilet</b>	<b>0.162***</b> <b>0.004</b>	<b>0.148***</b> <b>0.008</b>	<b>0.096*</b> <b>0.068</b>	<b>0.072</b> <b>0.172</b>
Access to electricity	0.001 0.992	-0.001 0.978	0.007 0.884	0.005 0.921
<b>Head of household</b>	-0.054 0.204	<b>-0.078*</b> <b>0.073</b>	-0.063 0.119	<b>-0.108***</b> <b>0.010</b>
# of observations	705	705	705	705
Pseudo R2	0.0820	0.0871	0.0792	0.0979

Key: \* p<0.10, \*\* p<0.05, \*\*\* p<0.01

The results of regression 1 show that being part of the mfi group is strongly and positively correlated with having a good perception of the household’s wealth, in comparison to that of other households. In fact, mfi group members are 23.8% more likely to think that their (wealth) position is “about the same or a bit better than most other people”, and they are 24.3% more likely to believe that they are in a better position now than a year ago. Another

indicator strongly correlated with a good or better perception of the household's wealth is completion of high school (in comparison to primary school only), with the results of regression 1 showing a 17.6% and 14.0% higher probability, respectively. In addition, living in a dwelling made of bricks rather than mud and sticks improves the perception of wealth by 18.3%. This means that women living in a dwelling made of bricks have an 18.3% better chance of viewing their wealth as the same or a bit better than that of the other households. Being self-employed has a large positive impact in both the regression 1 results, showing that self-employed women are 7.8% more likely to view their households as doing well and 9.7% more likely to perceive their current situation as better than a year ago.

The results of regression 2 include a control for access to an old age grant. Controlling for the old age grant reduces the coefficient of being a member of the mfi group from 23.8% to 19.9% in the first question and from 24.3% to 17.5% in the second question. This suggests that the impact of receiving an old age grant is very significant: it increases the probability of economic well-being among the recipients (measured according to own perceptions) by 13.6% in the first question and 22.2% in the second question.

In order to determine the impact on the two groups of receiving an old age grant, a predict variable "perceptiontwo" was created from the regression results obtained for question 2: "Think about the last year in comparison to other years. How would you say things have been going?" If the control for receiving an old age grant is added, the likelihood of members of the control group having a positive perception increases from 51.6% to 59.4%. In the case of the mfi group, the difference is slightly more pronounced: receiving an old age grant increases the probability of a positive perception from 74.4% to 80.9%. However, in both groups, recipients of an old age grant are more likely to perceive their households to be better off, suggesting that the old age grant contributes to all women's perception of their wealth relative to the previous year.

**Table 9.13: Probability of positive perception of well-being if household receives old age grant, by group**

	Control group	Mfi group
All	51.6%	74.4%
If household has access to old age grant	59.4% (SD=0.083)	80.9% (SD=0.088)

Summary statistics: mean, sum by categories of: spension

*Financial services*

The four questions about financial services relate to access to and use of savings and borrowing facilities. The results in Table 9.14 show that membership of the mfi group increased the likelihood of having a bank account<sup>121</sup> by 15.3%. Married women had a 19.0% better chance of having an account than women who have never been married. Self-employed women were 9.2% more likely than unemployed women to have bank accounts. The education variable, signifying completion of high school (as opposed to only primary school) is positively and significantly ( $p=0.000$ ) related to having a bank account, and women living in a brick dwelling are 15.8% more likely to have a bank account than those living in dwellings made of mud and sticks.

**Table 9.14: Probits for bank account**

Variables	Access to a bank account	
	coef.	<i>p</i> value
<b>Intervention group</b>	<b>0.153***</b>	<b>0.002</b>
<b>Married</b>	<b>0.190***</b>	<b>0.002</b>
<b>Divorced</b>	<b>0.145*</b>	<b>0.074</b>
<b>Widowed</b>	<b>0.167**</b>	<b>0.025</b>
<b>Completed high school</b>	<b>0.188***</b>	<b>0.000</b>
Old age grant	-0.097	0.106
Child support grant	-0.033	0.529
<b>Self-employed</b>	<b>0.092**</b>	<b>0.041</b>
Employed	0.013	0.853
<b>Structure of dwelling</b>	<b>0.158***</b>	<b>0.000</b>
Access to land	0.054	0.238
<b>Head of household</b>	<b>-0.177***</b>	<b>0.004</b>
<b>Member of church group</b>	<b>0.142***</b>	<b>0.003</b>
<b>Member of burial society</b>	<b>0.163***</b>	<b>0.009</b>
Member of stokvel	0.081	0.117
# of observations	705	
Pseudo R2	0.147	

Key: \*  $p < 0.10$ , \*\*  $p < 0.05$ , \*\*\*  $p < 0.01$

Interestingly, being the head of the household reduces the likelihood of having a bank account by 17.7%. The predict variable below (see Table 9.15) investigates whether this happens in both groups. It confirms that women who are the head of their households do have a smaller chance of having access to a bank account, in both the control and the mfi groups.

<sup>121</sup> A “bank account” means having access to an account at either a commercial bank or at the Post Office.

**Table 9.15: Probability of having a bank account if head of household, by group**

	Control group	Mfi group
All	29.8%	42.7%
If head of household	16.3%	26.8%

While the members of the mfi group more often have debt than do the members of the control group (see Table 9.9), this debt is primarily to SEF. The category “Non-governmental or credit organisation” in Table 9.16 below includes SEF debt.<sup>122</sup> The table shows the categories of debt for both the control and the mfi groups. While 92 control group members indicated that they had debt, the list below adds up to 98 because some women owed money to more than one creditor. Similarly, among the mfi group, 254 women acknowledged debt but 335 creditors were mentioned.

**Table 9.16: Control and mfi group debt**

To whom do you currently owe money?	Control group	Mfi group
Friend	16	35
Bank	0	3
Relative	11	14
Non-governmental or credit organisation	1	135
Shop	58	133
Money lender	4	7
Other	8	24
<b>Total</b>	98	331
# indicating that they have debt	92	254

### *Physical assets*

Five types of asset – land, cows, goats, car and cell phone – were selected to capture salient aspects of the well-being of the individual and household. In the questionnaire, the land owned by the household was classified as small, medium or large. While more of the control group owned land (27.7%, as against 20.2% of mfi group), it is interesting that mfi members with land (whether small, medium or large) had a “higher” PWR score than had control

<sup>122</sup> While all the mfi group members received loans from SEF, some may not have had an outstanding loan from SEF at the time of the interview.

group members with land. Furthermore, members of both the mfi and the control group with more land had higher PWRs, indicating that a higher initial PWR score could have been the reason for the access to land, not the microfinance.

**Table 9.17: Land ownership and PWR score**

Group	Own small piece of land		Own medium piece of land		Own large piece of land	
	%	PWR score	%	PWR score	%	PWR score
Control group	36	92.1	41	88.8	19	87.0
Mfi group	44	88.9	17	87.2	13	86.1

The fact that 27 (7.3%) of the mfi group but only nine (2.6%) of the control group own more than four cows is important, since the value of a cow is substantial.<sup>123</sup> The probit regression shows that the mfi group is 3.4% more likely to own more than four cows. Women with access to land (not necessarily owned by them) are 6.6% more likely to own more than four cows. It is clear that a bank account also increases the likelihood of having more than four cows (3.6%) but women who head up their households are 2.4% less likely to own more than four cows. Regression 2 adds a control for debt; the results show that women with debt (mainly SEF debt or store credit, see Table 9.16) are 2.3% less likely to own more than four cows. However, the addition of the debt control increases the coefficient for the mfi group from 3.4% to 4.0%. This signifies that members of the mfi group are even more likely to own more than four cows, despite having more debt (or precisely because they have debt or access to credit).

<sup>123</sup> It is estimated that the value of one cow was about R4000 in 2005 (Zanetic, personal communication, Pretoria 18 July 2011).

**Table 9.18: Probit for owning more than four cows**

Variables	Own more than four cows	Own more than four cows
	Regression 1	Regression 2
	<i>coef.</i>	<i>coef.</i>
	<i>p value</i>	<i>p value</i>
<b>Intervention group</b>	<b>0.034**</b> <b>0.020</b>	<b>0.040***</b> <b>0.006</b>
Completed high school	0.011 0.386	0.011 0.382
<b>Old age grant</b>	0.032 0.105	<b>0.035*</b> <b>0.077</b>
Child support grant	-0.015 0.256	-0.014 0.255
Self-employed	0.000 0.990	0.004 0.737
Employed	-0.022 0.248	-0.020 0.265
Structure of dwelling	-0.002 0.880	-0.002 0.864
<b>Access to land</b>	<b>0.066***</b> <b>0.000</b>	<b>0.066***</b> <b>0.000</b>
<b>Head of household</b>	<b>-0.024**</b> <b>0.049</b>	<b>-0.022*</b> <b>0.056</b>
<b>Bank account</b>	<b>0.036***</b> <b>0.007</b>	<b>0.039***</b> <b>0.003</b>
<b>Debt</b>	- -	<b>-0.023**</b> <b>0.038</b>
# of observations	705	705
Pseudo R2	0.187	0.203

Key: \* p<0.10, \*\* p<0.05, \*\*\* p<0.01

#### 9.4 DISCUSSION

In Chapter 8, the premise was that microfinance contributes to the empowerment of poor women on an individual, household and community level. The findings were mixed. While there was evidence that microfinance strengthened the likelihood of members of the mfi group being appreciated for their financial contribution, the causality was unclear. But the regression analysis for empowerment at the community level showed that mfi members were slightly more likely to belong to social groups. This, coupled with the fact that all members of the mfi group are also members of SEF's solidarity groups, might point towards improved social capital. As discussed in Chapter 5, at the community level, social networks, norms and relationships all contribute to the social capital of the individual. But it is also noted that "economically marginalized groups tend to be socially marginalized as well, so that they are

disadvantaged with respect to both resources and power” (Kanbur & Squire 2001:206). The analysis in this chapter indicates that the recipients of microfinance do not seem to be as economically marginalised as women who did not receive microfinance. The regression results provide more conclusive evidence that members of the mfi group benefit from the access to microfinance, as far as indicators of both livelihood security and well-being are concerned.

This chapter argued that women who participate in a microfinance programme over a period of two years would experience more livelihood security and well-being. The evidence is in line with this premise, and confirms that women who received microfinance were more likely to experience both increased livelihood security and better well-being than were women who did not receive such finance. In fact, almost all the regression analyses show a larger positive impact for the mfi group. In order to ensure that this marginal effect observed in the mfi group is not due to grants instead of microfinance, the original pooled group of 705 women was restricted to the 316 grant recipients in several of the regressions. It is important to consider the context: between the interviews (2004 and 2006), the government rolled out social grants to South Africa’s poor rural areas. Since these grants could well have skewed the evidence, additional regressions were done on restricted samples.

In this chapter, livelihood security was measured by looking at a selection of capabilities, in line with Sen’s (1983:159) description of “deprivation of capabilities”, which includes access to food and shelter. Food security was measured by asking the respondents about their (financial) ability to consume a balanced meal over the past month and by enquiring if, over the past year, they ever had to beg for food. The women were also asked if, over last 12 months, they were able to buy a selection of essential household goods, such as clothes, cleaning products and transport. The capabilities approach also considers the environment of the individual and, in this chapter, the household’s access to publicly provided infrastructure services (water, electricity and sanitation) is included as one of the measures of livelihood security. Lastly, membership of multiple social networks is used as a proxy for social inclusion.

Belonging to the group that received microfinance increased the likelihood of experiencing livelihood security in all four categories that were measured. Members of the mfi group were found to be significantly more food secure than those in the control group; in fact, being a

member of the mfi group increased the likelihood of being food secure by two-thirds over the control group. For women in receipt of old age and child grants, the marginal effect of being in the mfi group was stronger, suggesting that microfinance is marginally more effective when the women have access to grant income. However, the probability of members of the mfi group being more food secure is both large and significant irrespective of whether they receive grants.

The mfi group was also much better able to satisfy selected basic needs. In the case of clothes, mfi group members had a 42.0% better chance of being able to buy new clothes than the control group, controlling for other factors. The mfi group had a 21.3% better chance of having access to all three basic municipal services; however, the two-year lag between the interviews of the control and mfi groups could serve as an explanation for this outcome. It should be noted that, while the mfi group had better access to water and sanitation, electricity rollout in the two years was insignificant. A higher level of mean membership of multiple (financial) social groups was also evident in the analysis of variance between the two groups, indicative of higher social inclusion among members of the mfi group. Both burial societies and stokvels require their members to make a financial contribution. Increased membership of such social networks could serve to confirm the statement by Laderchi et al. (2003:257) that monetary income can be both an outcome and a cause of social exclusion. Exclusion can be the result of a lack of income or the limited income can be caused by social isolation. According to Laderchi et al. (2003:270), social capital contributes to welfare through participatory decision-making, reduced transaction costs and an improved flow of information. Higher inclusion could be because of the woman's higher income or the higher income could be caused by her inclusion in social networks.

Well-being refers specifically to the availability of resources at the household level. Resources can include financial and physical assets. In this chapter, a selection of qualitative and quantitative indicators served as proxies for measuring well-being. On the qualitative side, two questions on the women's perceptions of their own wealth were included in the analysis. By enquiring how the women perceive their own wealth relative to that of other households within the village, both now and in comparison to a year ago, it was possible to gauge their own sense of the improvement in their wealth status. On the quantitative side, questions about access to and use of financial assets were included: whether they had access to a bank

account, whether they had debt and to whom the money was owed. Finally, well-being was assessed by analysing the household's ownership of land, livestock, cars and cell phones.

Again, the results of almost all the regression analysis pointed to a higher level of well-being among the group that received microfinance. Ownership of cars and cows was so limited among both groups that no conclusions could be drawn. In the case of land ownership, the control group owned more land than did the mfi group. However, the causality was unclear, since mfi group members who owned land scored substantially higher in the initial PWR ratings than did landowners in the control group.

Being a member of the mfi group increased the likelihood of all the remaining indicators positively and significantly. Members of the mfi group had a much stronger perception of their own wealth. They also had a 24.3% higher chance of perceiving their position as better than in the past, and the mfi group had more access to and made more use of different financial services. These financial services include a bank account, membership of burial societies and stokvels and, of course, SEF's compulsory solidarity group. Members of the mfi group were 15.3% more likely to have access to a bank account than were members of the control group. Although they had more debt, this was mainly because of the SEF loan finance they had received. Controlling for other factors, members of the mfi group used more sources of finance (or debt) than did members of the control group. Both their financial assets and their access to loans help to smooth household consumption but their assets can also serve as tradable assets. Reverting to the quote by Salmen (1995), which implies that the economically marginalised poor are often also socially marginalised, the findings in this chapter show that the corollary might also be true. It could be derived that, over time, increased economic power (measured through better livelihood security and economic well-being) can lead to increased social relationships and social capital.

The preceding paragraphs looked specifically at how membership of the mfi group influenced the different indicators of livelihood and well-being. The regression analysis also found several other independent variables that explained these outcomes, in this case without reference to the specific group. First, the level of education of the respondents seems to be a major cause of better livelihood security and well-being. For example, women who completed high school had a 26.9% better chance of experiencing food security than had women who only completed primary school, controlling for other factors. Furthermore,

women who attended college most often had access to the full suite of municipal services. They also had a better perception of their own wealth and an 18.8% higher likelihood of access to a bank account. Second, access to an old age grant was another variable that played an important role in explaining both wealth and livelihood security. If a woman in either of the two groups has access to an old age grant, controlling for other factors, she is more likely to experience food security (16.9%), have the means to buy clothes (17.9%) and household goods (15.5%), and have a better perception of her own well-being now in comparison to two years ago (22.2%). The child grant variable did not have a similar effect; in fact, the grant was neither positive nor significant in the analysis of the livelihood security and well-being indicators. A third independent variable explaining livelihood security and well-being is membership of a burial society. In the case of food security, being a member of a burial society increases the likelihood of being food secure by a quarter and by even more (28.6%) if the mfi group is not included as a control. In addition, women who belong to a burial society are 16.3% more likely to have access to a bank account. A fourth variable that helps to explain indicators of well-being is self-employment. Self-employed women have a 9.7% higher chance of perceiving their current wealth as better than a year ago, and being self-employed increases the likelihood of having access to a bank account by 9.2%. Interestingly, self-employed women have a 21% chance of multiple group membership, while self-employed members of the control group have a 15% chance.

A last cause or predictor worth mentioning is the structure of the dwelling, although the causality is difficult to measure. It could be that improved well-being enables the household to stay in a better dwelling. Fieldworker discussions (RADAR 2003:2) revealed that “cement comes later”, meaning that it is often an addition or improvement to a house that was initially built from more basic materials. As such, it could be an indicator of improved wealth. The regression analysis shows that women living in a brick dwelling, rather than a dwelling made of mud and sticks, are 16.5% more likely to be able to buy clothes and 16.7% more likely to be able to afford transport to a clinic. Similarly, controlling for other factors, households in brick houses are 12.0% more likely to have access to a full suite of basic services and 18.3% more likely to perceive their wealth as better than that of others in the village.

In summary, being part of the group that received microfinance was the main variable explaining livelihood security and well-being outcomes. Other variables, including secondary education (in comparison to primary education), access to an old age grant, membership of a

burial society, being self-employed (rather than unemployed) and living in a dwelling made of bricks (as opposed to a one of mud and sticks) all seem to matter. Additional regressions with a restricted group of women who received an old age or child grant revealed similar patterns. In fact, while the grants marginally increased the likelihood of particular outcomes (i.e. food and basic needs security) among mfi members, microfinance was found to have an independent and significant effect on the particular outcome measured. For the mfi group, expenditure on renovating and improving their dwelling was also measured, and similar causes were evident: women with higher education spent more than the others on housing improvements over the past year (those with a college education spent R4 844, as against an average of R1 234). Self-employed women spent more than the average, as did married women and women with access to a bank account.

Looking at the full spectrum of resources used as proxies for livelihood security and well-being, it is clear that women who received microfinance over a period of two years were better off on both counts. In some instances, the causality of the outcome was unclear (i.e. land ownership, type of dwelling and access to municipal services) and in others, the total ownership of assets (i.e. cows and cars) was too low to be of significance. However, apart from those cases, the remaining proxies (i.e. food security, satisfaction of basic needs, perceived well-being and access to financial services) all suggest that microfinance is an important cause of the livelihood security and well-being outcomes.

## CHAPTER 10: SUMMARY, RECOMMENDATIONS AND CONCLUSION

### 10.1 INTRODUCTION

This study assessed the role of microfinance as a potential tool to address selected dimensions of poverty in rural South Africa. Women living in South Africa's rural areas are very poor in money-metric terms and, at the same time, are vulnerable in terms of several other dimensions of poverty. They are often illiterate, isolated from economic opportunities and without access to quality health services and basic economic services, such as sanitation and running water. This makes them extremely vulnerable to any crisis, whether illness, drought or death in the family. Many households are completely dependent on remittances and social grants, and women often fall victim to violence within the household. The government acknowledges the suffering of especially women-headed households in the rural areas (and the former homeland areas in particular). It has responded with a range of development interventions. While these interventions, which include social assistance grants, basic service delivery and free water, electricity, schooling and health services, certainly improve the livelihoods of the rural poor, they do not, collectively, seem to improve the standard of living of the most vulnerable people in these marginalised areas.

This study set out to consider whether there is evidence that show that microfinance, delivered according to a particular methodology in the rural South African context, can address some of the vulnerabilities that women face. The study considers two hypotheses:

- Women who receive microfinance from SEF for a period of at least two years will experience increased empowerment at an individual, household and community level.
- Women who receive SEF's microfinance are likely to experience more livelihood security and improved well-being.

The first hypothesis could not be proved. The results of the empirical analysis were not conclusive in showing that microfinance contributed to the empowerment of the women. While there was evidence that microfinance strengthened the *voice* of microfinance recipients within the household, this finding was limited to one of four questions about decision-making power in the household. However, the results for the second hypothesis, that microfinance leads to improved livelihood security and well-being, were both significant and conclusive. They indicate that women who received microfinance were more likely to be food secure,

experience fewer shortages, manage to satisfy their basic needs more often and belong to more social networks than did women who did not receive microfinance. In addition, the results show that women who received microfinance perceived their own position as better than two years earlier. They also had more access to and more often used a range of financial services. Additional analysis with a restricted sample (including only women that received social grants) confirms that being a member of the mfi group was the main predictor of positive outcomes. In these additional analyses the likelihood of the mfi group to experience positive outcomes increased (relative to the effect for the unrestricted sample) suggesting that microfinance is particularly effective when the women have some access to social grants.

This collective result, rejecting the empowerment claim and accepting the livelihood security/well-being hypothesis, is the main contribution of this study. It illustrates that microfinance, as delivered by SEF, appears to make a “financial” difference to the recipients’ livelihoods. This is to be expected considering the nature of the intervention, money or access to finance. However, the expectation that microfinance can contribute to qualitative indicators, such as “empowerment”, is perhaps too high.

The study noted that it is very difficult to *prove* that microfinance caused a particular outcome. The reasons are many, and include the fact that it is difficult to control for all the exogenous variables that affect the lives of the poor and to deal with econometric issues related to selection bias and unobservables. The livelihoods of clients are complex and it is hard to pinpoint, on a scientific basis, the direct impact of any single intervention in their lives. For instance, the microfinance participants could possess unobservable individual attributes, such as entrepreneurial skills, which could lead to self-selection. These initially unobservable attributes affect the outcomes of the regression analysis, leading to biased impact findings.

## 10.2 REVIEW OF FINDINGS

The study consisted of ten chapters. The introductory chapter set out to contextualise the problem – despite almost two decades of government support, African women in South Africa’s rural areas remain marginalised. The chapter reviewed the many government support programmes and indicated how these interventions, ranging from social assistance grants to municipal infrastructure and free services, do not succeed in addressing the overlapping

vulnerabilities or multidimensional poverty experienced by women in rural areas. The chapter concluded with the hypothesis that microfinance could contribute to addressing selected dimensions of the multidimensional poverty experienced by women in rural areas.

The study aimed, in Chapter 2, for a full understanding of the multidimensionality of poverty. It reviewed the multiple ways in which poverty, and the vulnerability to such poverty, manifests itself. Four broad approaches to understanding poverty were reviewed: the monetary approach, the capability approach, and the social exclusion and participatory approaches. Admittedly, the definition of poverty used in research will influence the methodology, which will, in turn, determine the outcome and the policy response. As stated by Kanbur (2001:26): “the way in which poverty is defined drives the strategy for dealing with it”. Consequently, South Africa’s unique brand of poverty had to inform the research approach, and Chapter 2 proceeded to examine the causes, dimensions and vulnerabilities related to the country’s rural poverty. Data on the different dimensions of the poverty experience in South Africa was shared – money-metric poverty, poverty in terms of capabilities and access to assets, social exclusion and perceptions of own poverty. The consensus view emerging from this overview is that African women in South Africa’s rural areas are the most vulnerable group, lacking capabilities and material as well as social assets. They struggle to navigate within their vulnerability context.

A growing body of evidence supports the potential of microfinance to address these overlapping vulnerabilities experienced by women in rural and urban areas worldwide. Chapter 3 reflected on the international evidence and concluded that it is very difficult to prove the claim that access to microfinance reduces poverty and empowers women. In the words of Simanowitz, “over the years there have been many impact assessments, and they have been consistent in their inconsistency” (2011:2). Measuring the impact of microfinance on the well-being of its recipients is challenging mainly because it is so difficult to establish causality between the effect of a loan and selected outcome measures. Despite the methodological concerns, Chapter 3 reports on the results of randomised control trials (a new methodological approach that overcomes the problems associated with selection biases). It presents evidence in support of the claim that the recipients of microfinance experience higher income and register more expenditure on consumer goods. In contrast, the same randomised trials fail to find conclusive support for the claim that microfinance has a positive impact on education, health and women’s empowerment.

Chapter 4 presented the story of SEF and illustrated how SEF managed, over the past two decades, to retain its focus on the poor in South Africa's rural areas, despite pressure from funders to "commercialise". SEF has successfully walked the tightrope between commercial and social objectives, if its results are anything to go by: it is 95% operationally self-sufficient, has an almost 100% repayment rate and meets every one of its 75 000 clients every fortnight. SEF operates from the premise that access to finance alone is not enough; it follows a "staircase" methodology, which assists women, step by step, in moving away from the multitude of vulnerabilities described above, towards empowerment. Each step addresses a particular constraint and assists the women in overcoming specific limitations.

Chapter 5 developed a theoretical foundation for this stepwise methodology, drawing from the literature on multidimensional poverty, the livelihood approach to poverty alleviation and research on women and gender empowerment. The livelihood framework recognises the dynamic interplay between gaining internal skills (empowerment) and overcoming external barriers (coping with and recovering from stresses and shocks). It implies that poor people draw on their internal skills (such as self-confidence and financial confidence) in combination with the power they have within the household, plus their social capital (the level of trust, reciprocity and mutual aid within the community) to respond to opportunities. The livelihood literature emphasises the need to combine these different assets in the fight against vulnerability. It indicates that the ability of the poor to avoid or reduce vulnerability depends not only on initial assets but also on the capacity to manage them – to transform them into income, food or other basic necessities.

This conceptual framework guided the analysis of the two data sets, gathered over a five-year period in the rural areas of Limpopo, South Africa. Chapter 6 described the research methodology by reviewing the origin of the data, the methods used to collect the data, the statistical programmes used to store and analyse the datasets, and the techniques used to analyse the data. In short, the data was gathered from two groups: women who did not receive microfinance (the control group) and women who received microfinance from SEF (the microfinance intervention or mfi group). Baseline interviews with 417 women in the control group were conducted from November 2001 to October 2002. Follow-up interviews with 363 women in the control group were conducted between January and September 2004. The 476 women in the mfi group were interviewed only once, in 2006. Identical questions were asked during the baseline and follow-up interviews, as well as during the microfinance-

only survey. All participating women were identified using the Participatory Wealth Ranking (PWR) technique. Wealth ranking using the PWR methodology was conducted only once, at the recruitment stage. Only women (in both the control and mfi groups) whose PWR scores were between 75 and 100 (the poorest) were included in the analysis. The mean PWR score for the 366 women in the mfi group was 89.4 and the mean PWR score for the 343 control group members was 90.4.

Chapter 7 described the socio-demographic characteristics of the two groups. Women in the control group were all from Sekhukhuneland in Limpopo and members of the mfi group were from adjacent areas. Despite the fact that respondents were drawn from two different regions in Limpopo, the villages were carefully selected to ensure that they were closely matched in terms of the level of unemployment, the average household size, the percentage of females in households and the average age of household members younger than 15 years. The responses to the surveys of the two groups also revealed that 44.3% of the control group were both heads of their households and had completed primary school. In the mfi group, 48.0% were both head of the household and had completed primary school. Furthermore, the median age of women in the control group was 45.1 years (in 2004) and in the mfi group 49.8 years (in 2006). Married women dominated both groups: almost 40% of the respondents in the control group were married, as were 44.5% in the mfi group. In both groups, the respondent was the household head in just over 40% of the households.

Chapters 8 and 9 contained the primary novel empirical contribution of this study. The two datasets described above were combined into a single Stata dataset based on the unique IDs of both groups, and all analysis was done using Stata version 11. For purposes of the analysis, all of the outcome (dependent) variables were coded to be binary at the individual level. All relationships were tested using one-way analysis of variance (ANOVA) and the two-sample t-test; 95% confidence intervals were calculated, comparing the mean results of the control group with the mean results of the mfi group (equality of means). The hypotheses were then tested using probit regression analysis. The questionnaires contained a wealth of responses but only selected variables, corresponding to the conceptual framework, were used in the analysis. Thus, outcome indicators of empowerment, livelihood security and economic well-being were selected from among the hundreds of responses of the control and mfi groups.

As referred to earlier in this chapter, the first hypothesis stated that, in comparison to women who did not receive any microfinance, the recipients of SEF's microfinance would experience empowerment at an individual, household and community level. The findings did not support this hypothesis. The reasons why microfinance did not seem to have a significant impact on the determinants of empowerment among the women clients include the following:

- *The short time period of observation:* Qualitative attributes, such as self-confidence, need longer timeframes to build and sustain. The selected dependent variables (self-confidence, decision-making power and perceived community support) are all proxies for much more complex and nuanced behaviour. Critics of microfinance hold that the extension of credit to women might even “initially exacerbate the risk of violence, although there is evidence to suggest this risk diminishes over time” (Kim et al. 2007:258). If true, the fact that none of the regression results showed any significant empowerment benefits for the recipients of microfinance could be caused by the fact that access to finance could, initially, be disempowering.
- *The isolated nature of the “empowerment” dimension:* This study was dependent on existing datasets and, as such, there was limited room to integrate the responses to the “empowerment” questions with the questions that served as proxies for livelihood and well-being. However, if the responses are evaluated holistically, it is clear that access to credit allowed the women to meet several survival goals and improve their livelihoods. Judging from the results for livelihood security, the recipients did manage to mitigate several of the risks that can contribute to their vulnerability (lack of food, other shortages and limited social networks). Furthermore, those gains were made, hopefully, “without compromising their dignity or sense of self worth”, to quote from Nadia Kabeer's well-known article, *Can buy me love?* (1998:80). Linked to this issue is the concern whether a social dimension, such as empowerment, should be an important criterion against which to assess the impact of access to finance. The fact that the women benefitted “economically” (according to the livelihood and well-being gains) from access to credit should be acknowledged, and the question asked whether access to resources is not perhaps sufficient justification for lending to poor women.
- *The questions might have been biased:* The questionnaires were developed for the original IMAGE research, which means that the questions, which are indirect proxies for behaviour, contained certain assumptions known only to the original researchers. The original IMAGE research measured the effect of microfinance in combination with a

gender training component called Sisters for Life. The integrated nature of the microfinance and training components justified the inclusion of the many “empowerment” type questions. However, the datasets analysed for this study excluded any gender-based training and, as such, measured the effect of the microfinance only, over a relatively short period, on empowerment gains.

- *The language used in the questionnaires was ethnocentric:* Some of the language used in the questionnaires was not aligned with the local Sepedi, Shangaan and Sesotho languages, causing unintended misunderstanding. For example, it was established that the word “permission” was an inappropriate term. It is good manners and a sign of respect to share your actions with your partner, and asking his “permission” to do something does not imply that you are asking for his authorisation (as the question intended). This explains why about three-quarters of the respondents’ indicated that they needed “permission” to do certain things. They did not interpret the question as asking permission but rather as communicating respectfully. See Chapter 7, section 7.2.3 for more examples to demonstrate that household-level empowerment questions could have caused biased responses. Even the word “empowerment” caused misunderstanding. Although none of the questions contained the word, it was revealed in group discussions with respondents that there is no local equivalent for it, and that phrases such as “the ability to claim personal power and to use it to change for the better” are used to express this concept in the local language (Kim et al. 2007:255).
- *The efficient rollout of social assistance grants since 2000:* The results of the empirical analysis showed that women who received both (or either of) the child and the old age grants were significantly more likely to be financially confident now than two years earlier. Both groups benefited from the efficiency and the scale at which the government expanded access to social assistance grants in the early part of the century. This meant that the increased financial confidence could have been aligned with the rollout of grants in addition to the microfinance intervention.

The second hypothesis claimed that access to microfinance would affect indicators of livelihood security and well-being. The results confirm this hypothesis and provide evidence that belonging to the group that received microfinance increased the likelihood of experiencing livelihood security and well-being in all the categories measured. The main argument from the conceptual model was that microfinance helps to mitigate the factors that

contribute to vulnerability. It states that poor people survive by strengthening their mechanisms for coping with crises (such as food security, social security and access to water and sanitation) and by constructing and maintaining a portfolio of assets (such as land, vehicles and livestock). It is argued that bundles of assets are potential income and consumption possibilities, and the results pointed to a higher level of well-being among the recipients of microfinance. However, as with the first hypothesis, a number of issues might have influenced this result:

- *The corollary of the efficient rollout of municipal services in 2004 to 2006:* The results indicate that the recipients of microfinance were more likely than members of the control group to have access to all three basic municipal services (water on the plot, grid electricity and a flush or pit toilet). Since municipal services continued to be rolled out between 2004 (when the control group interviews took place) and 2006 (when the mfi group was interviewed), it cannot be claimed that microfinance was responsible for the increased access. The causality could not be established, but, according to municipal level data for 2004 and 2006, while access to water and sanitation increased marginally in the selected areas, access to electricity did not increase during the two-year period.
- *Endogenous factors influencing the direction of causality:* In several of the regression results, women living in dwellings made of bricks (as opposed to mud and sticks) or who completed high school (as opposed to primary school) showed a higher likelihood of being food secure, meeting their basic needs or having access to municipal services. However, these findings could have been the result of endogeneity (the level of education or the type of dwelling may have been endogenous) and, as such, the causality could not be established, only inferred.
- *Social capital:* There is evidence, in line with a common finding in the literature, that membership of a social group enhances membership of other such groups. Unlike physical capital, social capital can accumulate as a result of its use. The regression analysis provided evidence that the members of SEF's (compulsory) solidarity groups more often belonged to other social networks, such as burial societies, church groups and stokvels. However, the question of causality arises again – did access to microfinance increase the likelihood of the recipient belonging to other social networks or did membership of SEF's compulsory solidarity group increase membership of such networks?

In conclusion, the results indicate that microfinance can make a difference in people's ability to smooth their consumption and, as such, provide them with more secure livelihoods. Microfinance also assists poor women in rural areas in improving their welfare. Based on these observations, some recommendations are made in the next section.

### 10.3 POLICY RECOMMENDATIONS

The first two recommendations below are aimed at SEF, while the next two recommendations are aimed at South Africa's established MFIs. The recommendations are based on both the insights gained from the study and long exposure to SEF and its practices.

SEF's institutional structure, its financial systems and its poverty-focused methodology were described in Chapter 4. In addition, Chapters 6 to 8 analysed the responses from over 300 women who received microfinance from SEF over a two-year period. This combined evidence confirms SEF's own claim that "microfinance is more than the provision of financial services" (Simanowitz 2008b:8). SEF's strength lies in the way in which it bundles financial services with social intermediation and a participatory methodology. SEF's contribution in terms of social intermediation is visible in the manner in which it targets the poorest clients through the PWR technique and facilitates group formation. The centre meetings are also conducted according to a participatory methodology, with the women themselves, rather than the fieldworkers, controlling the agenda of the meetings. The social interaction is also utilised to share financial and business skills at group meetings. That said, the following recommendations are made to strengthen SEF's impact:

*SEF Recommendation 1:* With almost 75 000 women meeting every fortnight, SEF's centre meetings provide an excellent platform for linking other development initiatives with the delivery of microfinance. Considering the weak institutional structures in South Africa's rural areas and the fact that the participants represent the poorer deciles in a particular area, the well-established centre meetings provide an opportunity for the delivery of complementary development initiatives, such as food relief or health education. As an example, during and after the cholera outbreak of 2008 the centre network was used to provide preventative health care information to SEF clients. Similarly, the centre meetings could be used by the Department of Human Settlements to get information about the housing subsidies and other municipal services out to the 75 000 women and their households.

*SEF Recommendation 2:* SEF should consider extending individual loans to established clients who demonstrate the need for larger loans. While the solidarity group methodology plays an important role in the initial phases of SEF's stepwise progress from vulnerability, a more flexible methodology is required for clients who have successfully completed several loan cycles. Empowerment is also about choice, and clients receiving loans in excess of R12 000 (currently about 1 000 clients) should be offered the opportunity to access individual loans rather than permanently be subject to the joint liability requirement. According to the conceptual model developed in Chapter 5, social capital formation is an important step away from vulnerability. SEF's solidarity group methodology strengthened the clients' social capital, as shown by the evidence discussed in Chapter 9. SEF clients more often belonged to other social networks, and as such, strengthened their support networks and reduced their initial vulnerability. However, women receiving loans of R12 000 or more have been clients of SEF for over five years, and do not require this initial support.

In view of the many claims on government resources and the limited ability of the government to increase social assistance any further, microfinance could be a sustainable vehicle for poverty alleviation. SEF, in combination with the WDB and Marang, are delivering small loans to almost 200 000 women in the poorest areas of rural South Africa, without taking any deposits. Despite not being able to use savings as capital, they operate almost sustainably. SEF, for example, will achieve self-sufficiency in the 2011/12 financial year, while indications are that the WDB is also very close to operating sustainably.

*MFI Recommendation 1:* The Department of Trade and Industry, in cooperation with the Reserve Bank and the Department of Economic Development, should acknowledge the potential of these MFIs to reduce poverty and create jobs. Currently SAMAF and Khula provide loan finance to several MFIs, but this process should be streamlined. The successful and established MFIs should be challenged (and funded) to expand loan finance aggressively in poor rural areas. While subsidised finance will be required for growth into currently unserved areas, the loan finance portfolios of these MFIs do not need to be subsidised, implying a sustainable strategy for poverty reduction and employment creation. In addition, the MFIs would probably welcome government support towards the training and initial salary costs of the many fieldworkers required to serve the increasing number of microfinance clients.

*MFI Recommendation 2:* Savings should become a potential source of finance for MFIs. The Credit Act makes it difficult for MFIs to take deposits and use them as capital. It is recommended that legislation be revisited and the South African situation compared to international best practice to see whether it is viable for local MFIs to operate as banks.

#### 10.4 SUGGESTIONS FOR FUTURE RESEARCH

The scope of this study was limited to the available data. While the IMAGE data sets were of a high quality, methodological concerns influenced the results. The first research suggestion below speaks specifically to the methodology of future impact studies, while the second addresses the sustainability of MFIs:

*Suggestion 1: Future empirical research should ensure that the timeframe of the study is meaningful.* A two-year period is too short to observe significant changes in qualitative indicators such as self-confidence or community solidarity. The time between the surveys should be sufficient for the predicted effects to occur and be observed.

*Suggestion 2: Further mining of SEF's well-documented and scientifically collected data should be encouraged.* For example, SEF keeps detailed records, through loan utilisation checks and regular business evaluation, of how its clients utilise their loans. These records could be used to support research into the cash flow profiles of clients' businesses as well as the spending patterns of their households. The findings could inform the design of products and services that would better serve the clients of SEF and other MFIs.

#### 10.5 CONCLUSION

Microfinance is a viable and potentially sustainable tool to reduce multidimensional poverty in South Africa's rural areas. Although it is not necessarily the "miracle" that it is sometimes claimed to be, this study gathered sufficient evidence to show that access to microfinance can influence certain dimensions of poverty. Microfinance reduces vulnerability by strengthening the recipients' food security, their ability to pay for basic household goods and their social security. Microfinance also assists the recipients in building assets and diversifying their range of financial instruments. The evidence seems to indicate that increased income and asset accumulation are the main outcomes of SEF's microfinance, which could serve as a precondition for empowerment. As Moser (2006:5) points out, in this sense, "empowerment is the outcome, rather than the means of poverty reduction".



## REFERENCE LIST

- Adato M, Carter M & May J, 2004. *Sense in sociability? Social exclusion and persistent poverty in South Africa*. BASIS background paper for the Conference on Combating Persistent Poverty in Africa, University of Wisconsin-Madison, 15-16 November. [www.basis.wisc.edu/persistentpoverty\\_papers.html](http://www.basis.wisc.edu/persistentpoverty_papers.html), accessed July 2009.
- Adelman I, 2000. *Fifty years of economic development: What have we learned?* [www.ekh.lu.se/lektionsplaner/ekhb10/adelman.pdf](http://www.ekh.lu.se/lektionsplaner/ekhb10/adelman.pdf), accessed April 2011.
- Agarwal B, 2001. *United Nations Expert Group Meeting on gender and poverty: Some issues*. [www.un.org/womenwatch/daw/csw/empower/documents](http://www.un.org/womenwatch/daw/csw/empower/documents), accessed October 2009.
- Alemu Z, 2011. Livelihood strategies in rural South Africa: Implications for rural development. Article submitted to *Development Southern Africa*, April.
- Aliber M, 2003. Chronic poverty in South Africa: Incidence, causes and policies. *World Development*, 31(3): 473-90.
- Alkire S, 2007. *Choosing dimensions: The capability approach and multidimensional poverty*. Chronic Poverty Research Centre (CPRC) Working Paper 88, Oxford Poverty and Human Development Initiative (OPHI). Oxford: University of Oxford.
- Alkire S & Santos ME, 2010. *Acute multidimensional poverty: A new index for developing countries*. Oxford Poverty and Human Development Initiative (OPHI) Working Paper 38. Oxford: University of Oxford.
- Argent J, Finn A, Leibbrandt M & Woolard I, 2009. *Poverty: Analysis of the NIDS Wave 1 dataset*. National Income Dynamics Study (NIDS) Discussion Paper 13. Cape Town: Southern African Labour and Development Research Unit (SALDRU).
- Armendariz B & Morduch J, 2004. Microfinance: Where do we stand? In: Goodhart, CAE (ed.), *Financial development and economic growth*. Basingstoke, UK: Palgrave Macmillan.
- Armendariz B & Morduch J, 2007. *The economics of microfinance*. Cambridge, MA: MIT Press.

Banerjee A, Duflo E, Glennerster R & Kinnan C, 2009. *The miracle of microfinance? Evidence from randomized evaluation*. Centre for Micro Finance Working Paper 31. Chennai: Institute for Financial Management and Research.

Barua DC, 1999. *Critical analysis and recommendations for managing the future growth of Tšhomišano Credit Program (TCP) of Small Enterprise Foundation (SEF)*. Unpublished document prepared for SEF by Dipal Barua, General Manager of Grameen Bank.

Barua P & Sulaiman M, 2007. *Is the BDP ultra poor approach working? Survey of some key lessons*. Challenging the Frontiers of Poverty Reduction (CFPR) Working Paper 16. Dhaka and Ottawa: BRAC and Aga Khan Foundation Canada.

Basu K, 2001. On the goals of development. In: Meier GM & Stiglitz JE (eds), *Frontiers of development economics: The future in perspective*. New York: Oxford University Press.

Bateman M, 2010. *Why doesn't microfinance work? The destructive rise of local neoliberalism*. London: Zed Books.

Baulch B & Hoddinott J, 2000. Economic mobility and poverty dynamics in developing countries: Introduction to a Special Issue. *Journal of Development Studies*, 36(6): 1-24.

Baumann T, 2002. *The pro-poor microfinance sector in South Africa*. Johannesburg: FinMark Trust.

Bentley K, 2004. Women's human rights and the feminisation of poverty in South Africa. *Review of African Political Economy*, 31(100): 247-61.

Berhane G & Gardebroeck C, 2011. Does microfinance reduce rural poverty? Evidence based on household panel data from northern Ethiopia. *American Journal of Agricultural Economics*, 93(1): 43-55.

Bhorat H & Kanbur R, 2006. Introduction: Poverty and well-being in post-apartheid South Africa. In: Bhorat H & Kanbur R (eds), *Poverty and policy in post-apartheid South Africa*. Pretoria: HSRC Press.

Bhorat H, Naidoo P & Van der Westhuizen C, 2006. *Shifts in non-income welfare in South Africa: 1993-2004*. Development Policy Research Unit (DPRU) Working Paper Series. Cape Town: DPRU, University of Cape Town.

Bhorat H & Van der Westhuizen C, 2008. *Economic growth, poverty and inequality in South Africa: The first decade of democracy*. Development Policy Research Unit (DPRU) Conference 2008 on The Regulatory Environment and its Impact on the Nature and Level of Economic Growth and Development in South Africa, Gauteng, 27-29 October.

Bhorat H, Van der Westhuizen C & Cassim A, 2009. *Access to household services and assets: Analysis using the NIDS Wave 1 dataset*. National Income Dynamics Study (NIDS) Discussion Paper 4. Cape Town: Southern African Labour and Development Research Unit (SALDRU).

Biggar N, 2009. Measuring poverty outreach: How two different microfinance institutions used the progress out of poverty index. *Enterprise Development and Microfinance*, 20(3): 177-87.

Birungi P, 2007. *The linkages between land degradation, poverty and social capital in Uganda*. PhD dissertation, Department of Agricultural Economics, Extension and Rural Development, University of Pretoria.

Booyesen F, 2003. *Chronic and transitory poverty in the face of HIV/AIDS-related morbidity and mortality: Evidence from South Africa*. Paper presented at the International Conference on Staying Poor: Chronic Poverty and Development Policy, University of Manchester, 7-9 April.

Bradshaw J, Nolan B, Maitre B & Finch N, 2000. *The measurement of absolute poverty*. York: Social Policy Research Unit, University of York.

Brau J & Woller GM, 2004. Microfinance: A comprehensive review of the existing literature. *Journal of Entrepreneurial Finance and Business Ventures*, 9(1): 1-26.

Bundy C, 1979. *The rise and fall of the South African peasantry: Perspectives on southern Africa*. Berkeley, CA: University of California Press.

Burns J, 2009. *Wellbeing and social capital: Analysis of the NIDS Wave 1 dataset*. National Income Dynamics Study (NIDS) Discussion Paper 7. Cape Town: Southern African Labour and Development Research Unit (SALDRU).

- Calvo C, 2008. Vulnerability to multidimensional poverty: Peru, 1998-2002. *World Development*, 36(6): 1011-20.
- Carter MR & May J, 1999. Poverty, livelihoods and class in rural South Africa. *World Development*, 27(1): 1-20.
- Carter MR & May J, 2001. One kind of freedom: Poverty dynamics in post-apartheid South Africa. *World Development*, 29(12): 1987-2006.
- Case A, Hosegood V & Lund F, 2005. The reach and impact of child support grants: Evidence from KwaZulu-Natal. *Development Southern Africa*, 22(4): 467-82.
- CGAP (Consultative Group to Assist the Poor), 2009. *What do we know about the impact of microfinance?* [www.cgap.org/p/site/template.rc/1.26.1306/](http://www.cgap.org/p/site/template.rc/1.26.1306/), accessed March 2010.
- CGAP (Consultative Group to Assist the Poor), 2010. *CGAP's review of 2010*. [www.cgap.org/gm/document-1.9.50514/Reflections\\_on\\_the\\_Year.pdf](http://www.cgap.org/gm/document-1.9.50514/Reflections_on_the_Year.pdf), accessed May 2011.
- Chambers R, 1993. *Relaxed and participatory rural appraisal: Notes on practical approaches and methods*. Paper delivered at a workshop held at the Harvard Center for Population and Development Studies, Washington, DC, 25 May.
- Chambers R, 1995. Poverty and livelihoods: Whose reality counts? *Environment and Urbanization*, 7(1): 173-204.
- Chambers R, 2005. *Participation, pluralism and perceptions of poverty*. Paper presented at the International Conference on The Many Dimensions of Poverty, Brasilia, Brazil, 29-31 August.
- Chambers R, 2006. Vulnerability, coping and policy (Editorial introduction). *IDS Bulletin*, 37(4): 33-40.
- Chambers R & Conway G, 1992. *Sustainable rural livelihoods: Practical concepts for the 21st century*. Institute of Development Studies (IDS) Discussion Paper 296. Brighton: IDS.
- Chen MA & Snodgrass D, 1999. *An assessment of the impact of SEWA Bank in India: Baseline findings*. Assessing the Impact of Microenterprise Services (AIMS) Paper.

Washington, DC: Management Systems International for United States Agency for International Development (USAID).

Chen S, Schreiner M & Woller G, 2009. *A simple poverty scorecard for South Africa*. [microfinance.com/#south\\_africa](http://microfinance.com/#south_africa), accessed July 2009.

Clark DA & Hulme D, 2005. *Towards a unified framework for understanding the depth, breadth and duration of poverty*. Paper presented at the International Conference on The Many Dimensions of Poverty, Brasilia, Brazil, 29-31 August.

Clark DA & Qizilbash M, 2002. *Core poverty and extreme vulnerability in South Africa*. [www.dfid.gov.uk/r4d/PDF/Outputs/ChronicPoverty\\_RC/Clark.pdf](http://www.dfid.gov.uk/r4d/PDF/Outputs/ChronicPoverty_RC/Clark.pdf), accessed April 2011.

Clark DA & Qizilbash M, 2005. *Core poverty, basic capabilities and vagueness: An application to the South African context*. Global Poverty Research Group (GPRG) Working Paper 26. Oxford: GPRG. [www.gprg.org/pubs/workingpapers/default.htm](http://www.gprg.org/pubs/workingpapers/default.htm), accessed March 2010.

Coetzee G, 2010. *Inclusive banking: A case study of ABSA (South Africa)*. Presentation to the Annual International Finance Conference, University of Virginia Darden School of Business, Charlottesville, VA, 18-19 March.

Coetzee G, Calvin B & Ahmed R, 2010. *A review of microfinance in South Africa: Whereto from here?* Presentation to the Omega Conference on Microfinance in South Africa: The Need for a National Policy, Sandton, 9-10 March.

Cohen M & Sebstad J, 2000. *Microfinance, risk management, and poverty*. Assessing the Impact of Microenterprise Services (AIMS) Paper. Washington, DC: Management Systems International for United States Agency for International Development (USAID).

Collins D, Morduch J, Rutherford S & Ruthven O, 2009. *Portfolios of the poor: How the world's poor live on \$2 a day*. Princeton, NJ: Princeton University Press.

Comim F, 2005. Capabilities and happiness: Possible synergies. *Review of Social Economy*, 63(2): 161-76.

Crépon B, Devoto F, Duflo E & Parienté W, 2011. *Impact of microcredit in rural areas of Morocco: Evidence from a randomized evaluation*. Working Paper.

Daley-Harris S, 2009. *State of the Microcredit Summit Campaign Report*. Washington, DC: Microcredit Summit Campaign. [www.microcreditsummit.org/uploads/socrs/SOCR2009\\_English.pdf](http://www.microcreditsummit.org/uploads/socrs/SOCR2009_English.pdf), accessed July 2009.

Davenport R & Saunders C, 2000. *South Africa: A modern history*. London: Macmillan Press.

DBSA (Development Bank of Southern Africa), 2008. *Infrastructure Barometer: Economic and social infrastructure: Scenarios for the future*. Midrand: DBSA.

DBSA (Development Bank of Southern Africa), 2009. *Interprovincial socio-economic comparison report*. Midrand: DBSA.

DBSA (Development Bank of Southern Africa), 2011. *Infrastructure Barometer*. Midrand: DBSA.

De Janfry A, 1975. The political economy of rural development in Latin America: An interpretation. *American Journal of Agricultural Economics*, 57(3).

De Satgé R, Holloway A, Mullins D, Nchabaleng L & Ward P, 2002. *Learning about livelihoods: Insights from southern Africa*. Cape Town and Oxford: Periperi and Oxfam.

De Wit J, 2011. *Feedback to SEF Board*. Rosebank, South Africa, 9 June.

DFID (Department for International Development), 2000. *Sustainable livelihoods – current thinking and practice*. London: DFID.

Dorward A & Omamo SW, 2009. A framework for analysing institutions. In: Kirsten JF, Dorward AR, Poulton C & Vink N, *Institutional economics perspectives on African agricultural economics*. Washington, DC: International Food Policy Research Institute (IFPRI).

Dorward A, Poole N, Morrison J, Kydd J & Urey IT, 2003. Markets, institutions and technology: Missing links in livelihood analysis. *Development Policy Review*, 21(3): 319-32. [ssrn.com/abstract=410967](http://ssrn.com/abstract=410967), accessed July 2009.

Duflo E, 2003. Grandmothers and granddaughters: Old age pension and intrahousehold allocation in South Africa. *World Bank Economic Review*, 17(1): 1-25.

Dupas P & Robinson J, 2009. *Savings constraints and microenterprise development: Evidence from a field experiment in Kenya*. Working Paper 14693. Cambridge, MA: National Bureau of Economic Research (NBER).

ECIAfrica & IRIS, 2005. *The evolution of the South African microfinance sector from 1992 to 2004: The role of the Microfinance Regulatory Council*. Johannesburg: ECIAfrica and IRIS Centre, University of Maryland.

Epstein MJ & Crane CA, 2006. *Alleviating global poverty through microfinance: Factors and measurement of financial, economic and social performance*. [videos.opportunity.org/website/resources/Microfinance-Alleviating-Global-Poverty.pdf](http://videos.opportunity.org/website/resources/Microfinance-Alleviating-Global-Poverty.pdf), accessed July 2009.

European Foundation for the Improvement of Living and Working Conditions, 1995. *Public welfare services and social exclusion: The development of consumer-oriented initiatives in the European Union*. Dublin: European Foundation for the Improvement of Living and Working Conditions.

Finn A, Leibbrandt M & Woolard I, 2009. *Income and expenditure inequality: Analysis of the NIDS Wave 1 dataset*. National Income Dynamics Study (NIDS) Discussion Paper 5. Cape Town: Southern African Labour and Development Research Unit (SALDRU).

Finnis J, 1980. *Natural law and natural rights*. New York: Oxford University Press.

FinScope, 2009. *South Africa*. [www.finscope.co.za/southafrica.html](http://www.finscope.co.za/southafrica.html), accessed March 2010.

Ford Foundation, 2004. *Building assets to reduce poverty and injustice*. New York: Ford Foundation.

Francis E, 2006. *Poverty: Causes, responses and consequences in rural South Africa*. Chronic Poverty Research Centre (CPRC) Working Paper 60. Manchester: CPRC.

Gazeley I & Newell A, 2007. *Poverty in Britain in 1904: An early social survey rediscovered*. Institute for the Study of Labour (IZA) Discussion Paper 3046. Brighton: University of Sussex.

Giné X & Karlan D, 2008. *Group versus individual liability: A field experiment in the Philippines*. Policy Research Working Paper 4008. Washington, DC: World Bank.

Glewwe P & Van der Gaag J, 1990. Identifying the poor in developing countries: Do different definitions matter? *World Development*, 18(6): 803-14.

Goetz AM & Sen Gupta R, 1996. Who takes the credit? Power and control over loan use in rural credit programmes in Bangladesh. *World Development*, 24(1): 45-63.

Goldberg N, 2005. *Measuring the impact of microfinance: Taking stock of what we know*. Washington, DC: Grameen Foundation USA.

Goodwin-Groen RP, 2006. *The National Credit Act and its regulations in the context of access to finance in South Africa*. Johannesburg: FinMark Trust.

Greeley M, 1994. Measurement of poverty and poverty of measurement, *IDS Bulletin*, 25(2): 50-7.

Hamoudi A & Thomas D, 2005. *Pension income and the well-being of children and grandchildren: New evidence from South Africa*. California Center for Population Research On-Line Working Paper Series. [escholarship.org/uc/item/0hv1t4xr.pdf](http://escholarship.org/uc/item/0hv1t4xr.pdf), accessed April 2011.

Harford T, 2008. The battle for the soul of microfinance. *Financial Times*, 6 December.

Harford T, 2009. Perhaps microfinance is not such a big deal after all. *Financial Times*, 5 December.

Hargreaves JR, Kim JC, Makhubele MB, Morison LA, Porter JDH & Watts C, 2004. The Intervention with Microfinance for AIDS and Gender Equality (IMAGE) Study: An integrated community-randomised trial of a structural intervention to prevent HIV and gender-based violence in South Africa. *The Lancet Protocol Reviews*, 03PRT/24. [web.wits.ac.za/NR/rdonlyres/17AF0772-48DA-428D-9D23-45EBB6F55158/0/IMAGE\\_Study\\_Protocol\\_The\\_Lancet.pdf](http://web.wits.ac.za/NR/rdonlyres/17AF0772-48DA-428D-9D23-45EBB6F55158/0/IMAGE_Study_Protocol_The_Lancet.pdf), accessed January 2008.

Hargreaves J, Morison L, Gear J, Kim J, Makhubele M, Porter J, Watts C & Pronyk P, 2007. Assessing household wealth in health studies in developing countries: A comparison of participatory wealth ranking and survey techniques from rural South Africa. *Emerging Themes in Epidemiology*, 4(4).

Harper M, 2009. Microfinance – a tentative neo-Marxist diagnosis, and what next? *Enterprise Development and Microfinance*, 20(4): 323-6.

Hashemi SM, Schuler SR & Riley AP, 1996. Rural credit programs and women's empowerment in Bangladesh. *World Development*, 24(4): 635-53.

Hassan R & Birungi P, 2011. Social capital and poverty in Uganda. *Development Southern Africa*, 28 (1): 19-37.

Hietalahti J & Linden M, 2010. Socio-economic impacts of microfinance and repayment performance: A case study of the Small Enterprise Foundation, South Africa. *Progress in Development Studies*, 6(3): 201-10.

Hirschowitz R & Orkin M, 1994. *Micro-enterprise development in South Africa*. Johannesburg: Community Agency for Social Enquiry (CASE).

Hulme D & McKay A, 2005. *Identifying and measuring chronic poverty: Beyond monetary measures*. Paper presented at the International Conference on The Many Dimensions of Poverty, Brasilia, Brazil, 29-31 August.

Hulme D & Mosley P (eds), 1996. *Finance against poverty*, vol. 1. London: Routledge.

IFAD (International Fund for Agricultural Development), 2011. *Rural Poverty Report*. Rome: IFAD.

Johnson D, 1996. Poverty lines and the measurement of poverty. *Australian Economic Review*, 29(1): 110-26.

Johnson S, 2009. Microfinance is dead! Long live microfinance! Critical reflections on two decades of microfinance policy and practice. *Enterprise Development and Microfinance*, 20(4): 291-303.

Kabeer N, 1998. *"Can buy me love?" Re-evaluating gender, credit and empowerment in rural Bangladesh*. Institute of Development Studies (IDS) Discussion Paper 363. Brighton: IDS.

Kabeer N, 1999. Resources, agency and achievements: Reflections on the measurement of women's empowerment. *Development and Change*, 30(3): 435-64.

Kakwani N & Silber J, 2008. Introduction: Multidimensional poverty analysis: Conceptual issues, empirical illustrations and policy implications. *World Development*, 36(6): 987-91.

Kanbur R, 2001. *Economic policy, distribution and poverty: The nature of disagreements*. Ithaca, NY: Cornell University.

Kanbur R & Squire L, 2001. The evolution of thinking about poverty: Exploring the interactions. In: Meier GM & Stiglitz JE (eds). *Frontiers of development economics: The future in perspective*. New York: Oxford University Press.

Kane D, 2009a. *Multi-dimensional forms of poverty experienced by unemployed HIV-positive mothers living in Khayelitsha*. Centre for Social Science Research (CSSR) Working Paper 243. [www.cssr.uct.ac.za/publications/working-paper/2009/243](http://www.cssr.uct.ac.za/publications/working-paper/2009/243), accessed July 2009.

Kane D, 2009b. *Responding to multi-dimensional poverty: Exploring the impacts of government, community, and the individual resilience of HIV-positive unemployed mothers in Khayelitsha*. Centre for Social Science Research (CSSR) Working Paper 246. [www.cssr.uct.ac.za/publications/working-paper/2009/246](http://www.cssr.uct.ac.za/publications/working-paper/2009/246), accessed August 2009.

Karlan D & Zinman J, 2010a. Expanding credit access: Using randomized supply decisions to estimate the impacts. *Review of Financial Studies*, 23(1): 433-64.

Karlan D & Zinman J, 2010b. *Expanding microenterprise credit access: Using randomized supply decisions to estimate the impacts in Manila*. Working Paper 976. New Haven, CT: Economic Growth Center, Yale University.

Keller S, 2004. *Household formation, poverty and unemployment: The case of rural households in South Africa*. Stellenbosch Economic Working Paper 1/2004. Stellenbosch: University of Stellenbosch.

Khandker SR, 2005. Microfinance and poverty: Evidence using panel data from Bangladesh. *World Bank Economic Review*, 19(2): 263-86.

Kim JC, Ferrari G, Abramski T, Watts CH, Hargreaves JR, Morison LA, Phetla G, Porter JDH & Pronyk PM, 2009. Assessing the incremental effects of combining economic and health interventions: The IMAGE study in South Africa. *Bulletin of the World Health Organization*, 87: 824-32. [www.who.int/bulletin/volumes/87/11/08-056580/en/index.html](http://www.who.int/bulletin/volumes/87/11/08-056580/en/index.html), accessed July 2009.

Kim JC, Watts CH, Hargreaves JR, Ndhlovu LX, Phetla G, Morison LA, Busza J, Porter JDH & Pronyk PM, 2007. Understanding the impact of a microfinance-based intervention on women's empowerment and the reduction of intimate partner violence in South Africa. *American Journal of Public Health*, 97(10): 1794-802.

King EM & Behrman JR, 2009. Timing and duration of exposure in evaluations of social programs. *World Bank Research Observer*, 24(1): 55-82.

Klasen S, 1997. Poverty, inequality and deprivation in South Africa: An analysis of the 1993 SALDRU survey. *Social Indicators Research*, 41(1-3): 51-94.

Klasen S, 2000. Measuring poverty and deprivation in South Africa. *Review of Income and Wealth*, 46(1): 33-58.

Klasen S & Woolard I, 2009. Surviving unemployment without state support: Unemployment and household formation in South Africa. *Journal of African Economies*, 18(1): 1-51.

Kolbe NC, 2009. *The Small Enterprise Foundation's replication of the Grameen Bank microfinancing model in South Africa*. MBA thesis, University of the Witwatersrand.

Kondo T, 2007. *Impact of microfinance on rural households in the Philippines: A case study from the special evaluation study on the effects on microfinance operations of poor rural households and the study of women*. Manila: Asian Development Bank (ADB).

Kydd J, 2010. A new institutional economic analysis of the state and agriculture in sub-Saharan Africa. In: Kirsten JF, Dorward AR, Poulton C & Vink N, *Institutional economics perspectives on African agricultural economics*. Washington, DC: International Food Policy Research Institute (IFPRI).

Kydd J & Dorward A, 2003. *Implications of market and coordination failures for rural development in least developed countries*. Paper presented at the Development Studies Association Annual Conference, Strathclyde University, Glasgow, 10-12 September.

Laderchi CR, Saith R & Stewart F, 2003. Does it matter that we do not agree on the definition of poverty? A comparison of four approaches. *Oxford Development Studies*, 31(3): 243-74.

Leibbrandt M, Finn A & Woolard I, 2010a. *Describing and decomposing post-apartheid inequality in South Africa: Analysis based on income and expenditure data from the 1993 Project for Statistics on Living Standards and Development and the 2008 base wave of the National Income Dynamics Study*. [www.nids.uct.ac.za](http://www.nids.uct.ac.za), accessed 14 September 2010.

Leibbrandt M, Woolard I, Finn A & Argent J, 2010b. *Trends in South African income distribution and poverty since the fall of apartheid*. OECD Social, Employment and Migration Working Papers 101. [dx.doi.org/10.1787/5kmms0t7p1ms-en](http://dx.doi.org/10.1787/5kmms0t7p1ms-en), accessed March 2011.

Lipton M, 1986. Seasonality and ultrapoverly. *IDS Bulletin*, 17(3): 4-8.

Longhurst R, 1994. Conceptual frameworks for linking relief and development. *IDS Bulletin*, 25(4): 21-3.

Marais H, 2011. *South Africa pushed to the limit: The political economy of change*. London: Zed Books.

Maxwell S & Smith M, 1992. Household food security: A conceptual review. In: Maxwell S & Frankenberger T (eds), *Household food security: Concepts, indicators, measurements*. Rome and New York: International Fund for Agricultural Development (IFAD) and United Nations Children's Fund (UNICEF).

May J, 2006. Poverty, asset accumulation and shocks in South Africa: Evidence from Kwa-Zulu Natal. In: Borat H & Kanbur R (eds), *Poverty and policy in post-apartheid South Africa*. Pretoria: HSRC Press.

May J, 2010. *Smoke and mirrors: The science of poverty measurement and its application*. Paper delivered at the National Conference on Inequality and Structural Poverty in South Africa, hosted by the Studies in Poverty and Inequality Institute, the Institute for Poverty, Land and Agrarian Studies (PLAAS), the Isandla Institute and the Programme to Support Pro-Poor Policy Development, Boksburg, September.

May J & Norton A, 1997. A difficult life: The perceptions and experience of poverty in South Africa. *Social Indicators Research*, 41: 95-118.

May J, Woolard I & Klasen S, 2000. The nature and measurement of poverty and inequality. In: May J (ed.), *Poverty and inequality in South Africa: Meeting the challenge*. Cape Town: David Philip.

Mayoux L, 2005. *Women's empowerment through sustainable micro-finance: Rethinking 'best practice'*. [www.genfinance.net](http://www.genfinance.net), accessed September 2009.

McEwen H & Woolard I, 2010. *Assessing the changing dynamics of child grants in South Africa in the context of high adult mortality*. Presentation to the Development Policy Research Unit (DPRU) and Trade and Industrial Policy Strategies (TIPS) Conference on The Global Economic Crisis and South Africa: Lessons in Long-Run Economic Growth and Development, Indaba, Johannesburg, 27-29 October.

McKee K, 2001. *Light bulbs, heresies, and predictions – observations from a fundamentalist*. New Development Finance Seminar, Frankfurt, 7 September.

M-CRIL (Micro-Credit Ratings International Limited), 2008. *SEF social rating*. Report prepared for the Imp-Act Global Learning Programme. Gurgaon, India: M-CRIL.

Meagher P, Campos P, Christen R, Druschel K, Gallardo J & Martowijoyo S, 2006. *Microfinance regulation in seven countries: A comparative study*. College Park, MD: IRIS Center, University of Maryland.

MIX (Microfinance Information Exchange), 2004. *2003 Annual MFI benchmarks*. [www.themix.org/publications/mix-microfinance-world/2004/12/2003-annual-mfi-benchmarks](http://www.themix.org/publications/mix-microfinance-world/2004/12/2003-annual-mfi-benchmarks), accessed May 2009.

MIX (Microfinance Information Exchange), 2009a. *Integrating social performance in operations: The case of the Small Enterprise Foundation (SEF) in South Africa*. MIX Social performance indicators blog, 5 November. [www.spblog.org/2009/11/mix-clients-for-sefs-tshomisano-credit-program](http://www.spblog.org/2009/11/mix-clients-for-sefs-tshomisano-credit-program), accessed December 2009.

MIX (Microfinance Information Exchange), 2009b. *Microfinance at a glance*. [www.themix.org/publications/mix-microfinance-world/2009/12/microfinance-glance](http://www.themix.org/publications/mix-microfinance-world/2009/12/microfinance-glance), accessed May 2009.

MIX (Microfinance Information Exchange), 2009c. *Taking stock of microfinance: Does it really help the poor?* MIX Social performance indicators blog, 1 December. [www.spblog.org/2009/12/posted-by-micol-pistelli](http://www.spblog.org/2009/12/posted-by-micol-pistelli), accessed December 2009.

MIX (Microfinance Information Exchange), 2011. *MIX market*. [www.mixmarket.org](http://www.mixmarket.org), accessed June 2011.

MkNelly B & Dunford C, 1999. *Impact of credit with education on mothers and their young children's nutrition: CRECER Credit with Education Program in Bolivia*. Davis, CA: Freedom from Hunger.

Morduch J, 1998. *The microfinance schism*. Development Discussion Paper 626. Cambridge, MA: Harvard Institute for International Development, Harvard University.

Morduch J, 2006. *Re: The Image study*. Email to John de Wit, 12 March. [jonathan.mordoch@nyu.edu](mailto:jonathan.mordoch@nyu.edu).

Morduch J & Armendariz de Aghion B, 2004. Microfinance: Where do we stand? In: Goodhart CAE (ed.), *Financial development and economic growth: Explaining the links*. Basingstoke, UK: Palgrave Macmillan.

Mosedale S, 2005. Assessing women's empowerment: Towards a conceptual framework. *Journal of International Development*, 17(2): 243-57.

Moser C, 1998. The asset vulnerability framework: Reassessing urban poverty reduction strategies. *World Development*, 26(1): 1-19.

Moser C, 2006. *Asset accumulation or social protection? Asset based approaches to poverty reduction in a globalized context*. Paper for the Brookings Institution/Ford Foundation Workshop on Asset-based Approaches, Washington, DC, 27-28 June.

Narayan D, 2000. *Voices of the poor: Can anyone hear us?* New York: Oxford University Press for the World Bank.

Narayan D & Pritchett L, 2007. *Moving out of poverty, vol. 1: Cross-disciplinary perspectives on mobility*. Basingstoke, UK: Palgrave Macmillan for the World Bank.

Narayan D, Pritchett L & Kapoor S, 2009. *Moving out of poverty, vol. 2, Success from the bottom up*. Basingstoke, UK: Palgrave Macmillan for the World Bank.

NCR (National Credit Regulator), 2009. *NCR website*. [www.ncr.org.za/index.php](http://www.ncr.org.za/index.php), accessed December 2009.

Neves D, Samson M, Van Niekerk I, Hlatshwayo S & Du Toit A, 2009. *The use and effectiveness of social grants in South Africa*. Midrand: FinMark Trust.

Noble M, Ratcliffe A & Wright G, 2004. *Conceptualizing, defining and measuring poverty in South Africa: An argument for a consensual approach*. Working Paper 3. Oxford: Centre for the Analysis of South African Social Policy, University of Oxford.

Norton A & Conlin S, 2000. *Globalisation processes and the implications for the development of global responses in the field of social policy*. Background paper for the Department for International Development (DFID) White Paper on Eliminating world poverty: Making globalisation work for the poor.

NPC (National Planning Commission), 2011. *Diagnostic overview*. [www.npconline.co.za](http://www.npconline.co.za), accessed June 2011.

Nussbaum M, 1995. Human capabilities, female human beings. In: Nussbaum MC & Glover J (eds), *Women, culture and development: A study of human capabilities*. Oxford: Clarendon Press.

Nussbaum M, 2000. *Women and human development: The capabilities approach*. Cambridge: Cambridge University Press.

Odell K, 2010. *Measuring the impact of microfinance: Taking another look*. Washington, DC: Grameen Foundation.

OECD (Organisation for Economic Co-operation and Development), 2010. *Trends in South African income distribution and poverty since the fall of apartheid*. OECD Social, Employment and Migration Working Paper 101. Paris: OECD.

Oluoch-Kosura W, Marennya PP, Place F & Barrett CB, 2004. *Indices and manifestations of poverty: Informing anti-poverty policy choices*. Paper for Kenya Institute for Public Policy Research and Analysis (KIPPRA) Workshop on Bridging Qualitative and Quantitative

Methods of Poverty Analysis, Nairobi, 11 March, United States Agency for International Development (USAID) Strategies and Analysis for Growth and Access (SAGA) Project, Cornell University.

Phalane M, 2002. *Globalisation, the feminisation of poverty and the masculine workplace: A South African perspective of the problem that spurs expansion but triggers inequality and identity crises*. Paper presented at the Council for the Development of Social Science Research in Africa (CODESRIA) 10th General Assembly, Kampala, Uganda, 8-12 December.

Pitt MM & Khandker SR, 1998. The impact of group-based credit programs on poor households in Bangladesh: Does the gender of participants matter? *Journal of Political Economy*, 106(5): 958-96.

Pitt MM, Khandker SR, Chowdhury OH & Millimet D, 2003. Credit programs for the poor and the health status of children in rural Bangladesh. *International Economic Review*, 44(1): 87-118.

Porteous D, 2003. *Is Cinderella finally coming to the ball? SA micro finance in broad perspective*. Johannesburg: FinMark Trust.

Posel D, Fairburn JA & Lund F, 2006. Labour migration and households: A reconsideration of the effects of the social pension on labour supply in South Africa. *Economic Modelling*, 23(5): 836-53.

Posel D & Rogan M, 2009 Women, income and poverty: Gendered access to resources in post-apartheid South Africa. *Agenda*, 81: 25-34.

Posel D & Rogan M, 2012. Gender and poverty trends in post-apartheid South Africa. Forthcoming in *Development Southern Africa*.

Pronyk PM, 2002. *IMAGE: Overview and rationale*. Unpublished report on Rural AIDS and Development Action Research Programme (RADAR) CD. Johannesburg: School of Public Health, University of the Witwatersrand.

Pronyk PM, 2006. *Development finance, social capital and HIV/AIDS*. PhD dissertation, London School of Hygiene and Tropical Medicine.

Pronyk PM, Abramsky T, Hargreaves JR, Kim J, Phetla G, Watts C, Morison LA, Porter JD & Morduch J, 2005. *The effect of microfinance on poverty and livelihoods: Results from a randomized trial in rural South Africa*. Unpublished report on Intervention with Microfinance for AIDS and Gender Equity (IMAGE) Study CD.

Pronyk PM, Hargreaves JR, Kim JC, Morison LA, Phetla G, Watts C, Busza J & Porter JD, 2007a. Effect of a structural intervention for the prevention of intimate partner violence and HIV in rural South Africa: A cluster randomized trial. *The Lancet*, 368(9551): 1973-83.

Pronyk PM, Hargreaves JR & Morduch J, 2007b. Microfinance and better health: Prospects for sub-Saharan Africa. *Journal of the American Medical Association*, 298(16): 1925-7.

Pronyk PM, Harpham J, Phetla G, Morison LA, Hargreaves JR, Kim JC, Watts C & Porter J, 2008a. Can social capital be intentionally generated? A randomized trial from rural South Africa. *Social Science & Medicine*. 67(10): 1559-70.

Pronyk PM, Kim JC, Abramsky T, Phetla G, Hargreaves JR, Morison LA, Watts C, Busza J & Porter JD, 2008b. A combined microfinance and training intervention can reduce HIV risk behaviour among young female participants: Results from the IMAGE Study. *AIDS*, 22: 1659-65.

Qizilbash M, 2002. A note on the measurement of poverty and vulnerability in the South African context. *Journal of International Development*, 14(6): 757-72.

Quisumbing AR (ed.), 2003. *Household decisions, gender and development: A synthesis of recent research*. Washington, DC: International Food Policy Research Institute (IFPRI).

Quisumbing AR & Maluccio J, 1999. *Intrahousehold allocation and gender relations: New empirical evidence*. Policy Research Report on Gender and Development Working Paper 2. Washington, DC: World Bank.

Qureshi U, 2009. *Blog comment*, 18 October. Response to: Chapter 7! Microfinance through “development as freedom” lens, David Roodman’s Microfinance Open Book Blog, Center for Global Development, 16 September. [blogs.cgdev.org/open\\_book/2009/09/chapter-7-microfinance-through-development](http://blogs.cgdev.org/open_book/2009/09/chapter-7-microfinance-through-development), accessed November 2009.

RADAR (Rural AIDS and Development Action Research Programme), 2002a. *RADAR workshop*, Tzaneen, South Africa, 14 November. Unpublished report on Intervention with Microfinance for AIDS and Gender Equity (IMAGE) Study CD.

RADAR (Rural AIDS and Development Action Research Programme), 2002b. *RADAR workshop*, Tzaneen, South Africa, 20 November. Unpublished report on Intervention with Microfinance for AIDS and Gender Equity (IMAGE) Study CD.

RADAR (Rural AIDS and Development Action Research Programme), 2002c. *Social interventions for HIV/AIDS: Intervention with Microfinance for AIDS and Gender Equity. IMAGE Study Evaluation Monograph 1*. Johannesburg: RADAR, School of Public Health, University of the Witwatersrand. [www.aidsportal.org/repos/monograph1.pdf](http://www.aidsportal.org/repos/monograph1.pdf), accessed November 2009.

RADAR (Rural AIDS and Development Action Research Programme), 2002d. *Social interventions for HIV/AIDS: Intervention with Microfinance for AIDS and Gender Equity. IMAGE Study Monograph 2: Intervention*. Johannesburg: RADAR, School of Public Health, University of the Witwatersrand. [www.aidsportal.org/repos/Intervention\\_monograph\\_no\\_pics.pdf](http://www.aidsportal.org/repos/Intervention_monograph_no_pics.pdf), accessed November 2009.

RADAR (Rural AIDS and Development Action Research Programme), 2002e. *The IMAGE Study. Fieldworker training manual, Part II*. Unpublished report on Intervention with Microfinance for AIDS and Gender Equity (IMAGE) Study CD.

RADAR (Rural AIDS and Development Action Research Programme), 2003. *RADAR workshop*, Tzaneen, South Africa, 18-20 June. Unpublished report on Intervention with Microfinance for AIDS and Gender Equity (IMAGE) Study CD.

RADAR (Rural AIDS and Development Action Research Programme), 2005. *Study Protocol*. 19 January. Unpublished report on Intervention with Microfinance for AIDS and Gender Equity (IMAGE) Study CD.

RBS Foundation India, 2008. *Microfinance and poverty alleviation: An impact assessment survey*. Edinburgh: Royal Bank of Scotland.

Roberts B, 2001. Chronic and transitory poverty in post-apartheid South Africa: Evidence from KwaZulu-Natal. *Journal of Poverty*, 5(4): 1-27.

Roberts B, 2009. *Subjective welfare: Analysis of the NIDS Wave 1 dataset*. National Income Dynamics Study (NIDS) Discussion Paper 14. Cape Town: Southern African Labour and Development Research Unit (SALDRU).

Robinson M, 2001. *The microfinance revolution: Sustainable finance for the poor*. Washington, DC: World Bank.

Rojas M, 2008. Experienced poverty and income poverty in Mexico: A subjective well-being approach. *World Development*, 36(6): 1078-93.

Roodman D, 2009. *Chapter 7! Microfinance through “development as freedom” lens*, David Roodman’s Microfinance Open Book Blog, Center for Global Development, 16 September. [blogs.cgdev.org/open\\_book/2009/09/chapter-7-microfinance-through-development-as-freedom-lens](http://blogs.cgdev.org/open_book/2009/09/chapter-7-microfinance-through-development-as-freedom-lens), accessed November 2009.

Roodman D & Morduch J, 2009. *The impact of microcredit on the poor in Bangladesh: Revisiting the evidence*. Working Paper 174. Washington, DC: Centre for Global Development.

Roper K, 2003. Refining performance assessment systems to serve sustainability, poverty outreach and impact goals: The case of the Small Enterprise Foundation in South Africa. *IDS Bulletin*, 34(4): 76-84.

Rossi P & Freeman H, 1989. *Evaluation: A systematic approach*. Newbury Park, CA: Sage Publications.

Rowlands J, 1997. *Questioning empowerment: Working with women in Honduras*. Oxford: Oxfam.

RSA (Republic of South Africa), 1991. *Certificate of Incorporation, Companies Act*.

RSA (Republic of South Africa), 2004. Usury Act (73/1968): Annual finance charge rates. *Government Gazette*, 471(26809): 1-5.

RSA (Republic of South Africa), The Presidency, 2008 & 2010. *Development indicators midterm review*. Pretoria: The Presidency.

Saith R, 2001. *Capabilities: The concept and its operationalisation*. Working Paper Series 66. Oxford: Queen Elizabeth House, University of Oxford.

SALDRU (Southern African Labour and Development Research Unit), 1995. *1993 Project for Statistics on Living Standards and Development (PSLSD)*. South African Data Archive 0037. Cape Town: School of Economics, University of Cape Town.

Salmen L, 1995. *Participatory poverty assessment: Incorporating poor people's perspectives into poverty assessment work*. Social Development Papers 11. Washington, DC: World Bank.

Samson M, Babson O, Haarmann C, Haarmann D, Khathi G, Van Niekerk I, Mac Quene K, 2001. *The impact of social security on school enrolment in South Africa*. Research Paper 25. Cape Town: Economic Policy Research Institute.

Sartorius K, Sartorius B, Tollman S, Schatz E, Kirsten J & Collinson M, 2009. *The dynamics of rural poverty in a South African community: A spatial-temporal model*. Institute of Behavioural Science Population Program Working Paper. Boulder, CO: University of Colorado at Boulder.

Schreiner M, 2010. Seven extremely simple poverty scorecards. *Enterprise Development and Microfinance*, 21(2): 118-36.

Schuler SR & Hashemi SM, 1994. Credit programs, women's empowerment, and contraceptive use in rural Bangladesh. *Studies in Family Planning*, 25(2): 65-76.

Scoones I, 1998. *Sustainable rural livelihoods: A framework for analysis*. Institute of Development Studies (IDS) Working Paper 72. Brighton: IDS.

Sebstad J & Chen G, 1996. *An overview of the studies on the impact of microenterprise credit*. Assessing the Impact of Microenterprises Services (AIMS) Brief 1, June.

Seekings J & Nattrass N, 2006. *Historical causes of contemporary inequality in South Africa*. Unpublished report, Development Bank of Southern Africa (DBSA).

SEF (Small Enterprise Foundation), 2001. *Minutes of Board of Directors meeting*, The Park Hotel, Potgietersrus, Mpumalanga, 23 June.

SEF (Small Enterprise Foundation), 1995-2008. *Annual reports*. Tzaneen, South Africa: SEF.

- SEF (Small Enterprise Foundation), 2009a. *Annual report*. Tzaneen, South Africa: SEF.
- SEF (Small Enterprise Foundation), 2009b. *Small Enterprise Foundation management review*. Internal report, SEF.
- SEF (Small Enterprise Foundation), 2009c. *SEF performance as at October 2009*. Internal report, SEF.
- SEF (Small Enterprise Foundation), 2010a. *Annual report*. Tzaneen, South Africa: SEF.
- SEF (Small Enterprise Foundation), 2010b. *Impact report for the Tšhomišano Credit Programme (TCP)*. Internal Board report, SEF.
- SEF (Small Enterprise Foundation), 2010c. *Microfinance clients*. Internal worksheet, SEF.
- SEF (Small Enterprise Foundation), 2010d. *Participatory wealth ranking (PWR) cut-off line analysis*. Internal report prepared by the PRIDE Department, SEF.
- SEF (Small Enterprise Foundation), 2010e. *SEF and IMAGE website*. [www.sef.co.za/content/image-study](http://www.sef.co.za/content/image-study), accessed May 2009 to December 2010.
- SEF (Small Enterprise Foundation), 2011a. *Analysis of Participatory Wealth Ranking (PWR)*. Internal report prepared by the PRIDE Department, SEF.
- SEF (Small Enterprise Foundation), 2011b. *Draft Annual report*. Tzaneen, South Africa: SEF.
- Sen A, 1981. *Poverty and famines: An essay on entitlement and deprivation*. Oxford: Clarendon Press.
- Sen A, 1983. Development: Which way now? *The Economic Journal*, 93(372): 745-62.
- Sen A, 1984. *Resources, values and development*. Oxford: Basil Blackwell.
- Sen A, 1985. *Commodities and capabilities*. Amsterdam: Elsevier Science.
- Sen A, 1999. *Development as freedom*. Oxford: Oxford University Press.
- Sen G & Grown C, 1988. *Development, crises and alternative visions: Third World women's perspectives*. London: Earthscan.

Sherraden M, 1991. *Assets and the poor: A new American welfare policy*. Armonk, NY: ME Sharpe.

Simanowitz A, 2000. *SEF's impact on poverty: A summary of impact assessment and methodology development process in the Small Enterprise Foundation's poverty-targeting programme, Tšhomišano*. Unpublished report, Small Enterprise Foundation (SEF).

Simanowitz A, 2008a. *Combining microfinance and training on gender and HIV – A proven approach to reduce poverty and halve violence against women*. Institute of Development Studies (IDS) Research Summary. Brighton: IDS.

Simanowitz A, 2008b. *Review of social performance management at the Small Enterprise Foundation*. Unpublished report for Board of Directors meeting, Small Enterprise Foundation (SEF), Johannesburg, December.

Simanowitz A, 2009. *Blog comment: Are microfinance impact assessments valid?* 2 September. Response to: Roodman D, What do we really know about microfinance's impact? Microfinance Gateway blog, 31 August. [www.microfinancegateway.org/p/site/m/template.rc/1.26.11408](http://www.microfinancegateway.org/p/site/m/template.rc/1.26.11408), accessed November 2009.

Simanowitz A, 2010. *Progress against Terms of Reference report to Board of Directors, October*. Unpublished report, Small Enterprise Foundation (SEF).

Simanowitz A, 2011. *Microfinance: Angel or devil?* [www.developmenthorizons.com/2011/06/microfinance-angel-or-devil.html](http://www.developmenthorizons.com/2011/06/microfinance-angel-or-devil.html), accessed June 2011.

Simanowitz A & Nkuna B, 1998. *The Small Enterprise Foundation Tšhomišano Credit Programme: Participatory Wealth Ranking: Operational Manual, Version 3.0*. August 1998. Unpublished document: Small Enterprise Foundation (SEF).

Smith LC, Ramakrishnan U, Ndiaye A, Haddad L & Martorell R, 2003. The importance of women's status for child nutrition in developing countries. In: Quisumbing AR (ed.), *Household decisions, gender and development: A synthesis of recent research*. Washington, DC: International Food Policy Research Institute (IFPRI).

Sorenson A, 2007. *From apples to oranges, to juice: An evaluation of qualitative versus quantitative shortcuts to poverty assessment*. Unpublished report, Small Enterprise Foundation (SEF).

Stats SA (Statistics South Africa), 2003. *Census 2001*. Pretoria: Stats SA.

Stats SA (Statistics South Africa), 2008. *Income and expenditure of households 2005/2006: Analysis of results*. Pretoria: Stats SA.

Stats SA (Statistics South Africa), 2009. *Social grants: In-depth analysis of the General Household Survey data, 2003-2007*. Statistical Release P0318.1. Pretoria: Stats SA.

Steinberg M, Johnson S, Schierhout G & Ndegwa D, 2002. *Hitting home: How households cope with the impact of the HIV/AIDS epidemic: A survey of households affected by HIV/AIDS in South Africa*. Washington, DC: Henry J Kaiser Family Foundation.

Strauss T, 2010. *A sobering assessment of microfinance's impact*. Posted on Stanford Social Innovation Review. [www.ssireview.org/opinion/entry/a\\_sobering\\_assessment\\_of\\_microfinances\\_impact/](http://www.ssireview.org/opinion/entry/a_sobering_assessment_of_microfinances_impact/), accessed May 2011.

Streak J, 2009. *Chapter 1: Child poverty measurement: Conceptual and methodological issues*. Extract from PhD thesis (in progress).

Streeten PP, 2000. Comment on: Basu K, On the goals of development. In: Meier GM & Stiglitz JE (eds), *Frontiers of development economics: The future in perspective*. New York: Oxford University Press.

Stromquist N, 1995. The theoretical and practical bases of empowerment. In: Medel-Anonuevo C (ed.), *Women, education and empowerment: Pathways towards autonomy*. Hamburg: United Nations Educational, Scientific and Cultural Organization (UNESCO) Institute for Education.

Swift J, 1989. Why are rural people vulnerable to famine? *IDS Bulletin*, 20(2): 49-57.

Tedeschi GA, 2008. Overcoming selection bias in microcredit impact assessments: A case study in Peru. *Journal of Development Studies*, 44(4): 504-18.

Terreblanche SJ, 2006. *Is it possible to make poverty history? Unfortunately not*. Paper presented at the Cape Town Book Fair, 17 June.

Thakur SG, Arnold C & Johnson T, 2009. Gender and social protection. In: OECD (Organisation for Economic Co-operation and Development), *Promoting pro-poor growth: Social protection*. Paris: OECD.

Thorne J, 2008. *Towards financing development: An economic framework for development banking*. DCom thesis, Department of Economics, University of Pretoria.

Thurlow J, 2006. *Has trade liberalization in South Africa affected men and women differently?* Development Strategy and Governance Division (DSGD) Discussion Paper 36. Washington, DC: International Food Policy Research Institute (IFPRI).

Tounitsky V, 2007. *Social performance management at the Small Enterprise Foundation (SEF): A case study*. Warsaw, Poland: The Microfinance Centre for Central and Eastern Europe (CEE) and the New Independent States (NIS).

Townsend P, 1962. The meaning of poverty. *British Journal of Sociology*, 13(3): 210-27.

Townsend P, 1985. A sociological approach to the measurement of poverty – A rejoinder to Professor Amartya Sen. *Oxford Economic Papers*, 37(4): 659-68.

UNDP (United Nations Development Programme), 2004. *South Africa Human Development Report 2003: The challenge of sustainable development*. UNDP South Africa: Oxford University Press.

UNDP (United Nations Development Programme), 1997 & 2010. *Human Development Report*. New York: Oxford University Press.

United Nations, 2008. *Achieving the Millennium Development Goals in Africa: Recommendations of the MDG Africa Steering Group*. [www.mdgafrica.org/pdf/MDG%20Africa%20Steering%20Group%20Recommendations%20-%20English%20-%20LowRes.pdf](http://www.mdgafrica.org/pdf/MDG%20Africa%20Steering%20Group%20Recommendations%20-%20English%20-%20LowRes.pdf), accessed July 2009.

Van de Ruit C & May J, 2003. Triangulating qualitative and quantitative approaches to the measurement of poverty: A case study in Limpopo province, South Africa. *IDS Bulletin*, 34(4): 21-33.

Van de Ruit C, May J & Roberts B, 2001. *A poverty assessment of the Small Enterprise Foundation on behalf of the Consultative Group to Assist the Poorest*. School of Development Studies Research Report 39. Durban: University of KwaZulu-Natal.

Van der Berg S, Burger R, Louw M & Yu D, 2005. *Trends in poverty and inequality since the political transition*. Stellenbosch Economic Working Paper 1/2005. Stellenbosch: University of Stellenbosch. [www.ber.sun.ac.za/downloads/2005/working\\_papers/WP-01-2005.pdf](http://www.ber.sun.ac.za/downloads/2005/working_papers/WP-01-2005.pdf), accessed July 2009.

Van der Berg S, Louw M & Burger R, 2007. *Post-apartheid South Africa: Poverty and distribution trends in an era of globalization*. Munich Personal RePEc Archive (MPRA) Paper 9065. [mpra.ub.uni-muenchen.de/9065/](http://mpra.ub.uni-muenchen.de/9065/), accessed March 2011.

Van der Berg S, Louw M & Du Toit L, 2009. *Poverty trends since the transition: What we know*. Working Paper 19/2-9. Stellenbosch: Department of Economics, University of Stellenbosch.

Van der Westhuizen C & Bhorat H, 2012. Estimating a poverty line: An application to free basic municipal services in South Africa. Forthcoming in *Development Southern Africa*, 29(1).

Von Pischke JD, Adams WA & Donald G (eds), 1983. *Rural financial markets in developing countries: Their use and abuse*. Baltimore, MD: Johns Hopkins University Press.

WDB (Women's Development Businesses), 2010. *WDB Investment Holdings' website*. [www.wdb.co.za/site/investments/index.html](http://www.wdb.co.za/site/investments/index.html), accessed February 2010.

Weiss J, Montgomery H & Kurmanalieva E, 2003. *Microfinance and poverty reduction in Asia: What is the evidence?* Research Paper 53. Tokyo: Asian Development Bank (ADB) Institute.

Williams L (ed.), 2006. Chapter 1: Towards an emerging international labour law. In: *International poverty law: An emerging discourse*. London: Zed Books.

Wood G & Salway S, 2000. Introduction: Securing livelihoods in Dhaka slums. *Journal of International Development*, 12(5): 669-88.

Woolard I & Klasen S, 2005. Determinants of income mobility and household poverty dynamics in South Africa. *Journal of Development Studies*, 41(5): 865-97.

Woolard I & Leibbrandt M, 2001. Measuring poverty in South Africa. In: Borat H, Leibbrandt, M, Maziya M, Van der Berg S & Woolard I, *Fighting poverty: Labour markets and inequality in South Africa*. Cape Town: University of Cape Town.

World Bank, 2009. *PovertyNet: Understanding, measuring and overcoming poverty*. [go.worldbank.org/33CTPSVDC0](http://go.worldbank.org/33CTPSVDC0), accessed August 2009.

Yunus M, 2005. *Breaking the vicious cycle of poverty through microcredit*. [www.grameen-info.org/index.php?option=com\\_content&task=view&id=25&Itemid=128](http://www.grameen-info.org/index.php?option=com_content&task=view&id=25&Itemid=128), accessed November 2007.

Yunus M, 2007. *Banker to the poor: Micro-lending and the battle against world poverty*. New York: PublicAffairs.

Zaman H, 1999. *Assessing the poverty and vulnerability impact of micro-credit in Bangladesh: A case study of BRAC*. Washington, DC: World Bank.

Zuma JG, 2009 & 2011. *State of the Nation Address*. Pretoria: The Presidency.

ANNEXURE I:

SMALL ENTERPRISE FOUNDATION APPLICATION FORM



**BORROWER :** Please read this summary carefully as it contains the key elements of your relationship with SEF.  
**DF :** Do not leave anything blank when completing this document. If necessary, insert n/a for "not applicable".  
 Where alternatives are given, select the appropriate alternative.

Group No :

	LOAN TYPE	LOAN AMOUNT	INITIATION FEE	SERVICE FEE	VAT	TOTAL INTEREST	INSTALLMENT	TOTAL PERBUE (including interest, fees & credit life)	Nominal Rate (pa)
A									40.9%
B									40.9%
C									40.9%
D									40.9%
E									40.9%
									TOTAL

MONTHLY INSTALLMENT: \_\_\_\_\_ FORTNIGHTLY INSTALLMENT: \_\_\_\_\_

**PRE-AGREEMENT DISCLOSURE:** You have the right to delay signing this contract by 5 business days, to consider the proposed loan agreement and if you elect to enter into the agreement with the lender, the agreement should be concluded at or below the interest rate and costs initially quoted. You have the right to enter into this loan agreement at any stage prior to the expiry of the five (5) day period.  
**DEFAULT:** There are no default charges.  
**AGENT COMMISSION:** No commission or other fees or charges will be charged by any SEF staff member or anyone else.  
**INSURANCE:** There are no insurance charges on your loan.  
**EARLY SETTLEMENT:** If you wish to settle the loan in full, no notice is required. You will pay only a pro-rata share of the TDOC for the time you have had the money.  
**STATEMENT OF ACCOUNT:** See your loan card on fortnightly basis. There is no cost for a duplicate copy of the statement of account.  
**AGREEMENT:** This agreement is subject to Part 3 of Annexure "A" (as amended) per Notice 1406 of 2015.  
**ARREARS PENALTY:** There are no arrears penalties on your loan.

**CONSENT:**

1. Do you consent to your information on this loan being forwarded to the National Loans Register?  Yes  No

2. Your personal and confidential information will not be forwarded to any other organisation. Tick Appropriate Box

**COMPLAINTS :** For any complaints please contact SEF at (015) 307-5637. If you are not satisfied or believe that you are not treated fairly contact the NCR at the toll share number (0860) 100 406

THIS IS DONE AND SIGNED AT \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

	SIGNATURE	Sig N	PW R	My P	Age	IDENTITY NUMBER
A						
B						
C						
D						
E						

Make certain that the Group account number and the signatures of the Group Chair, Centre Chair, and the members on this form, correspond to those on the GROUP RECOGNITION CERTIFICATE.

For and on behalf of SEF :		
_____ EMPLOYEE SIGNATURE	_____ Centre Secretary*	_____ Date
_____ EMPLOYEE I.D. NUMBER	_____ Centre Chair*	_____ Date

© RobbyPrint™ THE JOHN DEERE PARTNER

BRANCH MANAGER APPROVAL : \_\_\_\_\_ DATE : \_\_\_\_\_

\*If EITHER the Centre Secretary or the Centre Chair applies for a loan, a different member must sign to approve it.

Registration Number : 1991/003485/08 NCR Registration No : 923/02



ANNEXURE II:

HOUSEHOLD DETAILS: FOLLOW-UP INTERVIEW

*Rural AIDS and Development Action Research Programme  
SekhukhuneLand IMAGE Study*

**HOUSEHOLD DETAILS : FOLLOW UP INTERVIEW**

<b>INTERVIEW IDENTIFICATION</b>	Village No. <i>Nomoro ya motes</i>	Household No. <i>Nomoro ya lapa</i>
---------------------------------	---------------------------------------	--

**PART 1: INTERVIEW SET UP**

Household Situation : \_\_\_\_\_

1	One or more members of the baseline household are still resident in this dwelling and the head of the household is still the same
2	One or more members of the baseline household are still resident in this dwelling but the head of the household has changed
3	All of the baseline household is no longer resident at this dwelling, and the dwelling is vacant
4	All of the baseline household is no longer resident at this dwelling, but there are new people living here
5	This is a new household not visited in the baseline survey

Visit 1 : \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ Code \_\_\_\_\_ Initials \_\_\_\_\_

Visit 2 : \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ Code \_\_\_\_\_ Initials \_\_\_\_\_

Visit 3 : \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ Code \_\_\_\_\_ Initials \_\_\_\_\_

Codes

1	Interview completed	2	No competent respondent at home
3	Entire Household absent for extended period	4	Postponed - Arranged time for interview
5	Refused	6	Dwelling vacant / not a dwelling
7	Dwelling destroyed	8	Not found

**PART 2: INTERVIEW INTRODUCTION**

Hello, my name is \_\_\_\_\_, I am from the Rural AIDS and Development Action Research Programme. We are based in Praktiseer Township and our head office is in Acornhoek at Tintswalo Hospital. I would like to explain to you a little about the work we are doing, and then if you agree I'd like to ask you and your family some questions */Thobela, leina la ka ke \_\_\_\_\_, Re soma le mokgahlo wo o bitswago RADAR. Ofisi ya rena e Praktiseer nomorong ya 616 gomme ofisi e kgolo e Acornhoek sepeleleng ba Tintswalo ke tla rata go hlalosa ga nnyane ka mosomo wa rena, gomme ge o dumela ke tla rata go le botsisa dipatiso le ba lapa la gago.*

- Describe RADAR / *Hlalosa RADAR*
- Explain why we are working in this area / *Hlalosa labaka lago shomela nageng yea*
- Wish to interview all people that we interviewed in the household previously confidentially
- Tell the interviewee how long the interviews will take. Each c.30mins. / *Ba batse gore potedisano kea lebaka le le kae.*
- Describe the goals of the IMAGE study / *Hlalosa dimhla kgolo tsa IMAGE Study*
- Ask if there are any questions – and answer questions / *Botsisha gore go nale dipatiso, araba dipatiso.*
- Hand over an IMAGE Study Information Sheet

Read the Informed Consent Statement and answers any questions. If the interviewer gives unambiguous and clear consent to be involved, then sign below.

I confirm that The Consent Statement has been read to the interviewee and that he/she understands and consents to participate in the interview  
Signed : \_\_\_\_\_ Date : \_\_\_\_\_

**PART 3: INTERVIEW DETAILS**

Date of Interview : \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

Time Start Interview : \_\_\_\_\_ : \_\_\_\_\_ Time finish Interview : \_\_\_\_\_ : \_\_\_\_\_

Interview conducted in Language : \_\_\_\_\_ (1=Sepedi, 2 = Other)

**PART 4: INTERVIEW CLOSURE (COMPLETE AT END OF INTERVIEW)**

Thank you for your time.  
*Re leboga nako ya gago*

Rural AIDS and Development Action Research Programme  
Sekhukhuleni IMAGE Study

HH100 : New Household Members

Starting with the HOUSEHOLD HEAD, list all the people who are new members or have been members of this household since the last interview, including :

- All household members who are currently usually sleeping here, Other household members who are permanently resident here but are not currently staying at the house, Domestic staff who sleep here > 5 nights per week & Anyone else staying here currently, and who has been here for > 4 weeks
- Anyone who has been a member of the household for a period since the last interview, fitting into any of the above categories, but is no longer so.

Go thoma ka hlogo ga lapa, re fe matoko ka moka a lapa, go akare tsa

- Kamoka bas ba robalago mo ga bjale.
- Bas ba dalago mo mosenng ejela ba sa dalago ka lelapeng gabjale.
- Baslomi ba ka lapeng bas ba robalago mo, mabego ago jwa 5 ka beke.
- E mongwe yo adalgo mo ga bjale, gape o bile mo dibake tsa go fwa use 4.

Yo mongwe yo e bilago leloko la lapa le go tloga ge re boleditana le lena la mathomo a swanetseng go tsoa dikakatsiso ego ka jodimo, e jela go se se ba bjale.

ID	Name	How entered household O isene bjang mo lapeng le (Z1)	Still household member Esa le letoko la mo lapeng (Y)	How left household O isene bjang mo lapeng le (Z2)	Sleeps here Robala mo (A)	Relation to HH head Tswalano le hlogo ya lapa (B)	Sex Botona (C)	Year of Birth Ngwaga wa matwalo	Marital Status Maemo go ta muyalo (D)	In school Tena sekolo (E)	If HH100 is "Yes" Pattern of schooling (E1)	Max level of schooling Maemo a go tiena sekolo (F)	Income from work Ditene no go tswa moishomong (G)	Income(s) from non-work Ditene ego ta moisho- mo (H)	Expenditure on clothing / footwear Ditshinngatshelo ta diaparara (Rands) (W)	Present at interview Bas ba lego gona mo peditwa nang (V)
91																
92																
93																
94																
95																
96																
97																
98																

Z1 (1) In-migration / o ikhualagile mo (2) Birth / jekelo  
Y (1) Yes / Ee (2) No / Awa  
A (1) Usually sleeping at the house in last month / Athe go robala ka nting (ngwedeng ya go fela), (2) Usually sleeping away from the house in last month / Athe go robala karole (ngwedeng ya go fela)  
B (7) Household head (Tswana) / Hlogo ya lapa, (M) Mother / Mma, (F) Father / Ndi, (B) Brother / But, (S) Sister / Sesi, (S) Son / Mowa, (D) Daughter / Mowadi, (H) Husband / Molekane wa mome, (W) Wife no. 1 / Molekane wa mome a mathomo, (W2) Wife no.2 etc..., (U) Unrelated / Mofo fela, (R) Related indirectly by marriage / Leloko ka lenyalo, (F) Paying Tenant / O ntshole, (Q) Query, (X) Unknown / a go tshabege  
C (M) Male / Mowa, (F) Female / Mowadi  
D (1) Never married / Gape nke a se nyakwalinyaka, (2) Married or living as married / O nyakwalinyake goba o phela e leke o nyakwalinyake, (3) Divorced or Separated / Hadile/Hadilewe kgagantsewe, (4) Widowed / Moshosi/moshogadi  
E (1) Currently attending school / Tswena sekolo, (2) Not currently at school / A ke tswena sekolo ga bjale  
E1 (1) Has attended school without interruption during the last year / o tsena sekolo viki le go kgadisa mo ngwageng wa go fela, (2) Has attended school with minor interruptions / o tsena sekolo ka go kgadisa ka mathata a masenyane, (3) Has attended school with major interruptions / o tsena sekolo ka go kgadisa ka mathata a magolo (3) Not applicable / Ga go na seki, (99) Not applicable / no response  
F (1) No formal schooling, illiterate / A se o tsene sekolo, (2) No formal schooling, literate / A se o tsene sekolo, efa ka ngwaga go ngwaga, (3) Some primary / sekolosa tswena fela, (4) Completed primary (standard 5) / sekolo sa fela/mpho wa 5, (5) Some secondary / secondary fee, (6) Completed secondary (standard 10) / matriculation / fedise secondary (nna wa lesame), (7) Attended / Tswena technical / vocational / training college, (8) Attended University / Tswena University  
G (1) Self employed in agriculture / Molekeli go tsena, (2) Self employed in non-farm enterprise – registered business / Molekeli kgwedeng e sa ngwadhwago eseng ea terno, (3) Self employed in non-farm enterprise – unregistered business / Molekeli kgwedeng e sa ngwadhwago eseng ea terno, (4) Student / Mofuthi, (5) Seasonal worker / Moshomo waga letswa, (6) Domestic worker / Moshomi wa ka gae ...

0 cont.... (7) Unemployed, looking for a job, often does casual, seasonal or contract work / Go o shoma, o nyakama le moshomo, o fela ebona moshomo ya lebakanyana, (8) Unemployed, looking for a job, occasionally gets any casual, seasonal or contract work / Go o shoma o nyaka Moshomo, odire moshomo o mongwe le o mome wa lebakanyana, e wa nalo ya tumelelano (9) Unemployed, looking for a job, rarely or never had any work during the last year / Go o shoma, o nyakama le moshomo ga senke wa shoma mo ngwageng waga fela, (10) Unwilling to work, retired or too young to be working / Go o makiembetso ego shoma, o hlogete moshomo goba o sele jo mampene gore oke shoma, (11) Unable to work (handicap) / Go kgone go shoma (sethelo).  
H - ASK ABOUT EACH ONE IN TURN - (1) State pension / Molekete, (2) Child grant or other government benefit / Tshetele ya bana goba tshoto tshoto mmuchong, (3) Private / work pension / phetshene ya moshomong, (4) Financial gifts from non household member / Dimpho tsa ditshetelele goba go boo esago ba lelapa, (5) Non financial gifts from non household member / Dimpho tsa sego tsa ditshetelele goba go boo esago ba lelapa, (6) Receiving dividends from investment / Amogela dikarolo go tswa ho ditshetelele tsa (tshetele), (7) Receiving money from a business / Amogela tshetelele goba kgwedeng (8) Other source of financial income / Tse dingwe tsa methapo ya ditshetelele tsa moka, List all, if none / A go seki, mark (99)  
I - ASK ABOUT EACH ONE IN TURN - (1) 'Houne or member of Induna's counsel' / Ntswa goba leloko le komiti ya moshete, (2) 'Member of chief's family' / Leloko le ka moshete, (3) 'Member of local government or council structure' / leloko le mmuchosi wa sekgae goba komiti engwe ya mmuchosi, (4) 'Traditional healer' / Ngwaga ya setso, (5) 'Minister / pastor' / Moruti, (6) 'Shebeen owner' / Mlong wa letlo la go rekisa bjale, (7) 'Educated professional' / Senzang, (8) 'Creech owner' / Mlong wa sekolo sa bana, (9) 'Senior member of a local organisation or society' / Leloko le lego la mkgapelo moshong. If none / a go seki, mark (99)  
W Estimate the amount in Rands that has been spent on clothing and footwear for this individual in the last year. Include tailoring costs, and costs of items used to make or mend clothes at home. / A kanya tshetshetsho yoo o ka bago o e sonatshela ka diranta go diaparara o dikalo tsa mollo ka o lele ka o lelo mo ngwageng wa go fela. Akaretso le tshetshetsho ya moraki goba go lokisa tsa diranta tsa diaparara ka gae.  
V (1) Yes / Ee (2) No / Awa



**Rural AIDS and Development Action Research Programme  
Sekhukhuleni IMAGE Study**

**HH105/6 : Orphans and fostering**

Children are particularly vulnerable if their parents die or go missing. We want to learn something about how often this happens, and what happens to these children when this situation arises / Bana ba ba kotsing ge batswadi ba bona ba hloketse goba ge ba nimeletse. Re rata go kwesisa gore seo se direga ga kae le gore go direga eng ka bana ba ge seemo se seka tswelela.

Question Number		Codes					
HH105	Are there any children (those under 18 years) living in this household for whom one or both of their parents have died or are untraceable? <i>E kaba go nale bana (ba ka tlase ga mengwaga e 18) bao ba dulago ka mo bao motswadi goba batswadi ba bona ba hloketsetse goba ba nimeletsego? IF NONE, write a X in the top left box</i>	Give individual numbers					
HH106	Of the children listed above, were these children members of this household anyway, or were they taken in by this household mainly <u>because</u> of what happened to their parents? <i>Go bana bao ba lego ka mo godimo, e kaba ke maloko a lelapa le goba, le ba tsere ka lebaka la seo se diragetse go batswadi ba bona?</i>	Give code, below child number 1 = Household member 2 = Taken in 99 = No response					

**HH200 : Important Incomes**

I previously asked you about whether the people in this household are working, receiving pensions or grants or bringing money into the household in other ways. Think about all of the last year. Over the course of the whole of last year what were the two most important sources of income for your household. This means which two sources of income could this house not have survived without. These incomes may be regular incomes, or one off incomes. They could be things that are coming in now, or other incomes that people had during the year, e.g. from seasonal work.

*Mo nakong e fenteng ke go botsaisitse gore ekaba batho ba ka mo gae ba a shoma, ba amogela tshelete ya moteme, goba go tlsha tshelete ka lapeng ka mkgona e mengwe. Nagana ka ngwaga wa go jeta. Mo ngwaga wa go jeta ke methopo efe e mebedi ya ditšeno e bolokwa ka mo lapeng. Seo se era gore ntle le ditšeno tse lelapa lebe le ka se phologe. Ditšeno tse ekaba tsa ka mehla, goba tsa nakwana. E kaba ditšeno di tlago gona bjale, goba ditšeno tseo batho ba di amogelago mo gare ga ngwaga.*

No income Mark (X)	Describe / Hlalosa	Financial / <i>Ditšhelete</i> (1) Non-Financial / <i>E sego ditšhelete</i> (2)	Person(s) in HH receiving Batho X = <i>Whole Household / lelapa ka moka</i>	Is the person who earns this income a household member 1=Yes 2=No
1				
2				

**Coding incomes (code the information given above)**

Income type	Work type	Sector	Job	Location	Pension type	Microenterprise type	Donation source
1							
2							
(1) Work related (2) Pension related (3) Donations, begging or loans from outside the household (4) Other, including crops	(1) Regular paid employment (2) Self employment in informal sector (3) Domestic work (4) Agricultural self employment (5) Piece jobs (6) Registered business (99) Other	(1) Mining (2) Government (3) Business (4) Manufacturing (5) Agriculture (6) Transport (7) Security (8) Private (9) Taxis (10) Building Related Industry (99) Other	(1) Mine worker (2) Driver (3) Cleaner/ Cook / Domestic worker / Labourer / washing cars (4) Teacher (5) Cashier / Shop assistant / Receptionist / Secretary (6) Farm worker (7) Security guard / ranger (8) Machine Operator (9) Manager (99) Other	(1) Borgenfort (2) Other areas around Borgenfort / Non BMA/GE local village (3) BMA/GE villages (4) Gaining (5) Other Mmamalanga (6) Steelport (7) Other Limpopo (8) Lydenburg (9) Rustenburg (99) Other	(1) State pension (2) Private / company pension (3) Child Grant (4) Disability Grant (5) Retrenchment package (99) Other	(1) Selling vegetables / other unprepared foods ("hawking") (2) Selling - hot food (wood, chickens, water) (3) Making / Selling clothes or shoes / sewing projects (4) Own / run a shebeen (5) Traditional healer or prophet (6) Electrician/repairs electrical goods/welding (7) Building related Taxi Owner/Driver (8) Own / run a shop / Spaza / tuckshop / Bottle store (9) Transporting goods for people (10) Making/ Selling beer (11) Looking after cattle (99) Other	(1) Parent (2) Sister (3) Brother (4) Other relative (5) Many relatives (6) Boyfriend or girlfriend (7) Other non related
	Complete if Income Type = Work, Otherwise, mark (X)	Complete if Work type = Regular paid employment, Otherwise, mark (X)	Complete if Work type = Regular paid employment, Otherwise, mark (X)	Complete if Work type = Regular paid employment, Otherwise, mark (X)	Complete if Income Type = Pension related, Otherwise, mark (X)	Complete if work type = Self employment or registered business, Otherwise, mark (X)	Complete if Income type = Donation, Otherwise, mark (X)

*Rural AIDS and Development Action Research Programme  
Sekhukhuneland IMAGE Study*

**HH300 : Dwelling improvement details**

The next questions I will ask you will be about the main dwelling you and your household currently live in ...  
Dipostiso tse latelago di mabapi le mo wena le ba lelapa la gago le dulago gona.

Question Number		Codes	
HH391	Estimate the amount of money that has been spent in renovating or improving this household during the last year. <i>Akanya tshelate yeo o ka bago e somisitse go kaonafatsa ntlo ya gago mo ngwageng wa go feta.</i>	Give value in rands	R
HH303	Does this household have land on which it grows its own produce? <i>Afa lelapa le, le nale tshemo e ba jalang dijalo ho yona?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i>	
HH305	What are the walls of the main dwelling primarily made of? <i>Maboto a mo le dulago gona a agilwe ka eng (karabo e tse fela)</i> [One answer only]	1 = Mud and sticks / <i>Mobu le dipharana</i> 2 = Mud bricks without cement / <i>Ditena tsa mobu tsa go se thibetswe ka samene</i> 3 = Mud bricks cement covered / <i>Ditena tsa mobu tsa thibetswa ka samene</i> 4 = Block bricks without cement / <i>Ditena tsa block tsa go se thibetswe ka samene</i> 5 = Block bricks cement covered / <i>Ditena tsa block tsa go thibetswa ka samene</i> 6 = Face bricks / <i>Ditena tse tseyane</i> 7 = Other / <i>Tse dingwe</i>	
HH306	How does the household get its water? <i>Le hwetsa meetse bjang?</i>	1 = Tap in plot / <i>Pompi ya ka gae.</i> 2 = Tap in the village / <i>Pompi ya motseng</i> 3 = Borehole 4 = Collect rainwater / <i>Leageletsa meetse a pula.</i> 5 = River or stream / <i>Nokeng</i> 6 = Buy water / 99 = Other /	
HH307	What sort of toilet does the household have? <i>Le shomisha ntlawana ya boithomela ya mohuta mang?</i>	1 = Modern with flush / <i>Ya meetse</i> 2 = Pit latrine / <i>Ya molete</i> 3 = No facility / <i>Ga e gona</i>	
HH308	Is the household supplied by electricity <i>Le nale Mohlagase ka mo gae?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i>	

**HH400 : Household Assets**

Do people living in the household own any of the following items.  
*A fa batho bao ba dulago ka mo lapeng ba nale tse dingwe tsa dilo tse di latelago.*

		Number owned (Small ennyane / <2yrs old) <i>Palo</i>	Number owned (Medium magareng / 2-6yrs old) <i>Palo</i>	Number owned (Large e kgolo / >=6 years old) <i>Palo</i>
HH401	Any land / <i>Naga</i>			
HH402	Cars or motorcycles / <i>Koloi goba sethu tuthu</i>			
HH403	Televisions / <i>Television</i>			
HH404	Hi-Fis / <i>Seyalemoya</i>			
HH405	Fridges / <i>Setwidifasi</i>			
HH406	Bicycles / <i>Bicycles</i>			
HH407	Cell phones / <i>Sella thekeng</i>			

		Number owned <i>Palo</i>
HH408	Cows / <i>Dikgomo</i>	
HH409	Goats / <i>Dipudi</i>	
HH410	Chickens / <i>Dikgogo</i>	

*Rural AIDS and Development Action Research Programme  
SekhukhuneLand IMAGE Study*

**HH500 : Credit and Savings**

The questions will be about some issues related to this household's savings and borrowings ...  
Dipotsiso tse dilatelang di mabapi le dikadimo le dipoloko le tsa lelapa .

Question Number		Codes	
HH501	Does the household head or household head's partner have a bank account ? <i>Afa hlolo ya lelapa goba molekane wa gagwe onale bank account (bobokela bja tshetele pankeng)?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 9 = Don't know / <i>ga ke tsebe</i> 99 = No response / <i>A gona karabo</i>	
HH502	Does the household head / partner currently owe anyone money ? <i>A hlolo ya lelapa goba molekane wa gagwe o kolota moho yo mongwe tshetele?</i>	1 = No / <i>Aowa</i> 2 = Household head / <i>Hlolo ya lelapa</i> 3 = Partner of Household head / <i>Molekane wa gagwe</i> 4 = Both / <i>Bohe di bja bona.</i>	
HH503	<b>IF YES,</b> To whom do you currently owe money? <i>Ge ele gore go bjale,</i> <i>Ke bomang bao ba kolotwago ?</i>  [List as many as necessary]  1=Mentioned 2=Not mentioned	1 = Friend / <i>Mokgosi</i> 2 = Bank / <i>Panka</i> 3 = Relative / <i>Emongwe wa leoko</i> 4 = NGO or Credit Organisation / <i>NGO goba Mokgahlo wa go adimisha ditshetele</i> 5 = Shop or store / <i>Lebenk ele</i> 6 = Money Lender / <i>Machonisa</i> 7 = Other / <i>tse dingwe</i>	
HH504	Imagine the response of the Household Head if he / she desperately needed to get R50 to pay an official body back by the end of the month for the household. Would this be ... <i>Akanya phetolo ya hlolo ya lelapa ge a nyakaga ho fumana R50 go lefela lelapa la gagwe ho lekala la semusho matelalong a kgwech, A se e kaba...</i>	1= No problem / <i>E ka sebe bothata</i> 2 = Possible , but inconvenient / <i>Go ka kgonega, efela ntle le tetelo</i> 3 = Possible with real difficulty / <i>Goka kgonega ka boima</i> 4 = Impossible / <i>Go kase kgonege</i>	

**HH600 : Food Security**

The next two questions will ask about whether your household has eaten recently.  
Dipotsiso tse pedi tse o dilatelago di mabapi le gore lelapa le jele ese kgale.

Question Number		Codes	
HH601	During the last month, how often have most of the family had a meal that consisted of pap alone, bread alone or worse ? <i>Mo kgweding ya go feta, ke ga kae mo Lelapa le jele go dijo gomme ele bogobe fela, borotho fela goba ka hase ga moo?</i>	1 = Never / <i>Aowa</i> 2 = Once only / <i>garee feela</i> 3 = A few times / <i>Nako e nyenyane</i> 4 = Often / <i>Kgafetsakgafetsa</i> 99=No response / <i>ga gona karabo</i>	
HH602	While living in this house and during the past month have <u>you or any of your own children</u> gone without food or had a reduced amount to eat for a single day because of a shortage of food ? <i>Go duleng galena ka mlong ya le mo kgweding ya go feta ekaba, wena goba e mongwe wa bana ba gago o ile a hlwa ntle le dijo goba gona go fokotsa seroto sa dijo tsa go jewa ka lesa tsi le tee ka leba ka la thaditelo ya dijo?</i>	1 = Never / <i>Aowa</i> 2 = Once only / <i>garee feela</i> 3 = A few times / <i>Nako e nyenyane</i> 4 = Often / <i>Kgafetsakgafetsa</i> 99=No response / <i>ga gona karabo</i>	

*Rural AIDS and Development Action Research Programme  
Sekhukhuneland IMAGE Study*

**HH700 : Perception of own wealth, outlook for the future and recent crises**

Finally in this questionnaire, I am going to ask you about your own perceptions of how your household is doing ...  
Sa mafilelo mo pukwaneng ya dipotsisho, le rata go go botsisha gore o bona okare lelapa Lagago le bjang go ya ka wena.

Question Number		Codes	
HH701	How would you describe the wealth of your household within this village? <i>Oka hlalosa bjang bohumi/ bohloki bja lelapa la gago mo motseng?</i>	1= About the same as most people / <i>O swana le bontshi bja batho</i> 2= A bit better off than most people / <i>O kaone go bowshi bja batho</i> 3= A bit worse off than most people / <i>O fase kudu go feta bontshi bja batho</i> 99 = No response / <i>ga gona karabo</i>	
HH702	Think about the last year in comparison with other years. Would you say that things have been .... <i>Gopodishisha ka ngwaga wa go feta gomme o hapetse le mengwaga e mengwe. O kare dilo di be di...</i>	1= Going well / <i>Sepela gabotse</i> 2= Going about normally / <i>Sepela gabotsana</i> 3= Going badly / <i>A di sepele gabotse</i> 99 = No response / <i>ga gona karabo</i>	
HH703	During the last 6 months has anything happened to this household which has a serious negative effect on how the household operates? 1=Yes, 2=No <i>Dikgweding tse 6 tse fetileng go kile gwa direga se sengwe ka lapeng, seo se dirilego gore dilo di se sepele ka tshwanelo?</i>	1 = Death or serious illness of an adult household member / <i>Lehu goba go hwala ga e mengwe e mogolo ka mo lapeng</i> 2 = Death or serious illness of a child household member / <i>Lehu goba go hwala ga ngwana kamo lapeng</i> 3 = Unexpected loss / cessation of a reliable source of income to the household / <i>Tahlego yeo esa letshwago / Go fedishwa ga ditšeno tse tshetšhweng tsa lelapa</i> 4 = Serious problems occurred as the result of a natural disaster / <i>Mathata a magolo ao a hlotswego ke thlago</i> 5 = Unexpected large payment had to be made / <i>Tefelo e kgolo eo esa letshwago</i> 8 = Other / <i>Tse dingwe</i> 99 = No event / <i>Ga go selo</i>	
HH704	If YES, give brief details <i>Ge ele gore go bjalo, hlalosa ka boripana</i>		

**HH800 : Screening for mineworkers regarding possible lung disease**

Any person (man or woman) who has worked on a mine is entitled to have a medical benefit examination to find out whether there is any evidence of lung disease due to the inhalation of dust. Work-related lung disease is often found in former miners who are suffering from, or have been treated, for pulmonary tuberculosis. All those who have worked in a mine and have been treated for tuberculosis should be examined regularly. *Mang le mang (monna goba mosadi) yo a ilego a soma maeneng o swana se ke go dira dikgo go kgontshisa gore ga a na bohweri bja marwago bjo bo ka bago bohloswe ke go hena lerajana la serwetšwa sa mo mmaereng. Mabweri a go nyalelana le marwago a hweditšwe go batho bao ba ilego ba soma maeneng bao ba babjago ka goba bao ba ahlwego pulmonary tuberculosis (marela). Ka moka bao ba ilego ba soma maeneng le go alogwa TB ba swanetse go kolobwa ka mekha.*

Question Number		Codes	
HH801	Has any household member (male or female) at any point in time worked on a mine? <i>Ekaba go nale yo a ilego a somago maeneng (monna/mosadi)?</i> If the answer to this question is Yes, or Don't Know, you should give the following information, and hand over an information sheet. <i>Ge karabo e le ee goba ga ke tsebe bota motho yo ka tseo di lega mofase.</i>	1= Yes 2 = No 9 = Don't know	

"There are a number of clinics in Sekhukhuneland which are specially for former miners, and the dates are known to the sisters working in the clinics. Clinics are held at Praktiseer, Taung, Rietfontein, HC Boshoff hospital (Maandagshoek) and Mecklenburg hospital. The examinations are free. Applicants should make a booking at the nearest clinic which provides the service. When they attend for examination applicants should bring with them their id book and a reliable postal address. If they have documents which prove their mining service they should bring them. Individuals who have been examined in the past may come for a new examination every two years. Those who have been told that they do not have compensatable disease should book for a repeat examination. Anyone who has an incomplete claim or needs help to obtain payment should come to one of the clinics and state her/his problem."

*Go nakle dikliniki tse nmaelwa mo sekhukhune kudago batho bao ba ilego ba soma maeneng gomme masatsi a tsebja ke baoki ba mo dikliniking. Tsone ke Praktiseer, Taung, Rietfontein, HC Boshoff hospital (Maandagshoek), le Mecklenburg hospital. Go dira dihlahlobo ke mahalo. Batho bao ba swanetse go dira dipokanyo go kliniki tseo ke di badilego tsa kgauswi. Ge ba eya ditšego ba swanetse go tla le pukwana ya boitsebiso le ateresa. Ge ba nale bohlatse bja gore ba somile maeneng ba ka tla le bjona. Bao elego gore ba ile ba hlalobja. Pele, ba ka bowa ka morago ga mengwaga e mengwe le e mengwe e mebedi go dira ditšego gape. Bao ba ilego ba botšwa gore ga ba na boletšwi ba ka boelela go dira ditšego gape. Mang kapa mang yo a se nago bohlatse bjo felletšego go ba a nyak a thuso go hwetsa tsa tefo a ka ya go engwe ya diklinikitšego ke di boletšego gomme a hlalosa bothata bja gagwe.*

*Interviewer : Now go back and complete the final sections of the front page of this interview.*

ANNEXURE III:

SENIOR FEMALE INTERVIEW: FOLLOW-UP

*Rural AIDS and Development Action Research Programme*  
*Sekhukhuleni and IMAGE Study*  
**SENIOR FEMALE INTERVIEW: FOLLOW UP**

<b>INTERVIEW IDENTIFICATION</b>	Village No <i>Nomoro ya mose</i> Give new number if changed	Household No <i>Nomoro ya lapa</i> Give new number if changed	Individual No <i>Nomoro ya moho ka moho</i>
---------------------------------	---	---	--

**PART 1: INTERVIEW SET UP**

Senior Female Situation: \_\_\_\_\_ 1 The senior female is still resident in the same dwelling as at baseline  
 2 The senior female is no longer resident at the baseline dwelling

Visit 1: \_\_\_\_ / \_\_\_\_ / \_\_\_\_ \_\_\_\_\_ Code \_\_\_\_\_ Initials

Visit 2: \_\_\_\_ / \_\_\_\_ / \_\_\_\_ \_\_\_\_\_ Code \_\_\_\_\_ Initials

Visit 3: \_\_\_\_ / \_\_\_\_ / \_\_\_\_ \_\_\_\_\_ Code \_\_\_\_\_ Initials

**Codes**

1	Interview completed	4	Refused
2	Not at home	5	Partly completed
3	Postponed	6	Incapacitated

**PART 2: INTERVIEW INTRODUCTION**

Hello, my name is \_\_\_\_\_, I am from the Rural AIDS and Development Action Research Programme. We are based in Praktiseer Township and our head office is in Acorhoek at Tintswalo Hospital. In 2003/2 we did some interviews with you and your household. As part of that interview we asked to come and see you two years later to ask some similar questions. It is important for our research to understand how things have changed over time. That is the reason why I am here today. Would you mind if I spent a few minutes explaining our research once again to you? *Thobela leina le ka ke \_\_\_\_\_, wa mokgao wa RADAR. Ofsisi ya rona e nyane e Praktiseer township ya 616 gomme e kgolo e Acorhoek sepeleleteng sa Tintswalo. Ka 2003/2 re boledisane le wena le balelana la gago. Bjale ka karolo ya polelatsano re kgopitse go bava gape ke morago ga mengwaga e mebedi go shau gape gogo basira di potso tseo gape. Go bohlokwa modiryaletsaang isa rona go kwisisa gore e ka go bile le diphegogo mo nakong e fentlego. Ke di ka tshaba leo ke lego mo lebona. O ka belaela ge nka isa nako e nyane go hlalosa gape ka mokgao wa rona.*

- Describe RADAR/ *Hlalosa RADAR*
- Explain why we are working in this area/ *Hlalosa mabaka o go shoma mateng wa*
- Briefly describe what will be asked in the questionnaire/ *Hlalosa dipotso tseo di tla*
- Check suitable, confidential surroundings/ *Lebelala lefelo leo lego la mabaka*
- Ask if there are any questions – and answer questions/ *Batla gore a gona dipotso o arabe dipotso*
- Tell the interviewee how long the interview will take/ *Ba batse gore polelatsano e tla tsa nako ekae*
- Hand over an IMAGE Study Information Sheet

Read the Informed Consent Statement and answers any questions. If the interviewee gives unambiguous and clear consent to be involved, then sign below.

I confirm that The Consent Statement has been read to the interviewee and that he/she understands and consents to participate in the interview  
 Signed: \_\_\_\_\_ Date: \_\_\_\_\_

**PART 3: INTERVIEW DETAILS**

Date of Interview : \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Time Start Interview : \_\_\_\_ : \_\_\_\_ Time finish Interview : \_\_\_\_ : \_\_\_\_

Interview conducted in Language : \_\_\_\_ (1=Sepedi, 2 = Other)

**PART 4: INTERVIEW CLOSURE**

Thank you very much for having participated in both parts of the study. The information that we have covered is sensitive, personal and confidential. I want to assure you that this information will be treated with respect and it will not be possible for anyone to trace the information back to you individually. *Ke lebo go ka kafa go isene karolo mo monamong wa rona. Diaba tseo re boleise go ka isone di sensitive, ke isa bophelo bjagago na lo ditwerak a shompho e kgolo ga gona moho yo a do tsebego gore re balase ka eng. Ke nyaka go go tshetisa gore dihaba tseo ka mola di la hlaphiwe e gore go ka sa kgonege gore moho a bave a go boare tse gape.*

Interviewer : (i) Distribute materials as appropriate. (ii) Use referral procedures in situations where this is appropriate.

*Rural AIDS and Development Action Research Programme  
Sekhukhuland IMAGE Study*

**FF100 : Background Information**

Note to interviewer : If this woman is going to have a Young Person's Interview as well as a Senior Female. Please fill out Background Information in that questionnaire, and then fill out answers from page 2 on here / *Ge ele gore motlo to thile go botswa YPQ le SFQ. Tlats Background Information gomme o ek op olle ka go YPQ.*

Qu No.		Codes	
FF101	Age <i>Bogolo.</i>	Years <i>Mengwag</i>	
FF102	Does she qualify for Young Person Questionnaire? <i>/ O nale marwanedi a Young Person Questionnaire?</i>	1 = Yes (age 35 or younger) / <i>Ee (age 35 or younger)</i> 2 = No (age 36 or older) / <i>Aowa (age 36 or older)</i>	
FF191	Have you been involved in relationships with one or more partners in the last 12 months? <i>O hile wa ratana le motlo o tsele goba ba go feta mo mo dikgweding tse 12?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 99 = No response given / <i>A gona karabo</i>	
FF105	Have you <u>ever been</u> married or lived as being married? <i>O hile wa nyalwa goba wadula o kare o nyetwe?</i>	1 = Never married / <i>A se nke</i> 2 = Currently married / living as married / <i>Nyetwe/dula o kare o nyetwe</i> 3 = Separated / Divorced / <i>Kgaopano/Hlalane</i> 4 = Widowed / <i>Mohlologadi</i>	
FF192	If currently married/living as married, has lobola been paid? <i>Ge ele gore o nyetwe goba o dula o kare o nyetwe magadi a pastwe.</i>	1 = Partly paid / <i>Ba nshirise botswane</i> 2 = Fully paid / <i>Ba feditse</i> 3 = Not paid / <i>Ga se bawtha sela</i>	
FF193	Type of marriage / living as married <i>Mohua wa lenyal</i>	Lobola Fully Paid ? Lobola Partly Paid ? Church service? Registered by a magistrate?	For each 1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i>
FF106	Since the last time you were interviewed (past 2 years), have you been Separated/Divorced? <i>Go thoga mola re bolela le wena ekaba o hladilelo arogane le motlokani?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>aowa</i>	
FF194	IF YES to Separated or Divorced in the past 2 years, WHY? <i>Ge e la ee o kgaogane. Hladile mo mengwageng e mebedi yo go feta lebaka e ba e le eng?</i> [Do not read out list] <i>O seke wa bala dinhe tse</i> Code best responses May code more than one 1 = Mentioned 2 = Not mentioned	A) Partner not contributing to household / <i>Molekatlaga a dire seloka mo lapeng</i> B) You are now financially able to look after self and family / <i>Bjale o kgona go thokamela le ba lelapaka marang</i> C) Tired of partner's infidelities / <i>O lapatiswe ke go sa ithepapale pa molekani</i> D) Physical abuse / <i>Tlhoriso ka go mabeha</i> E) Sexual abuse / <i>Tlhoriso ya thobalano</i> F) Emotional abuse / <i>Tlhoriso ya maikwalo</i> G) Husband left her / <i>Molekane o mo lo gese</i> H) Other / <i>tse dingwe</i> _____	
FF116	If currently married/living as married, During the past 12 months, how many months has your partner been staying at this house? <i>Ge ele gore pa bjale o nyetwe goba o dula o kare o nyetwe, ke dikgwedi tse kae mo ngwageng wa go feta useo molekane wa gago a di iserego a dula ka lelapeng?</i>	Give no. of months / <i>Efa palo ya dikgwedi.</i> 99 = Don't know / <i>Ga ke tsebe.</i>	
FF117	If less than 7 months How was the pattern of your partner's visits home in the last year? <i>Ge di sa fete tse 7, Molekane wa gago o be a eela gae ka mokgwa ope mo ngwageng wa go feta?</i>	1 = Mainly weekends / <i>Mqetelo a baka</i> 2 = Mainly month ends / <i>Mqetelo a kgwedi</i> 3 = Occasional extended trips / <i>Ke maro ago amana le mediro</i> 4 = Migrated in this year / <i>O hudugile ngwageng o</i> 5 = Other / <i>Tse dingwe</i>	
FF110	How many children have you had up to now in your life? <i>Bophelong bjale gago, go fika ga bjale o nalo/bile bana ba kae?</i>	Give number / <i>Efa palo</i> 98 = No response / <i>A gona karabo.</i>	
FF111	Do you want to have any more children during your life? <i>Bophelong bjale gago o ra a go ba le bana bangwe gape?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 99 = No response / <i>A gona karabo</i>	

*Rural AIDS and Development Action Research Programme  
SekhukhuneLand IMAGE Study*

**FF200 : Group Membership**

I'd like begin by asking you about the groups or organizations, both formal and informal, that you belong to. As I read the following list of groups please tell me if you belong to this kind of group and how active you are in the group presently.

*Ga bjale ke star ana go j ba/jaha mabapile diklopha goba mokgabo mo mouseng, ya sekgwera / ya semusho eo o tsego karolo go yona goba o le go leleko la yona. Ke ala bala melua ya diklopha/Mokgabo: gomme ke kgopela gore o nporje ge o le leleko la sehlopha sa melua woa, ga pe le gore o aisea karolo ka mokgwa ope sehlopheng seo gabjale*

Note to interviewer: Some people attend meetings now and then and would be considered 'members', whereas others are considered 'active' and attend regularly. Also, some are considered 'leaders' in these groups – such as the leader of a prayer group. Each group may only fall under one of the categories below. *Batho ba bangwe a ya dikapanong letatsile lengwe gomme ba bitsa maloko (member) jela mola ba bangwe ba na le mafolofolo ba eja dikapanong ka melia "Active". Ba bangwe ke baapole "leaders" bjalo ka motapela wa sehlopha sa thapelo. Motlo o swanetsego wela go e le eya dikarolo tse*

	Group type	NAME	STATUS 1=Leader 2=Active 3=Member 9=Not member	FREQUENCY 1 = Once a week or more 2 = Twice or once a week and once a month 3 = Occasional – c.4-10 times a year 4 = Occasional < 4 times a year	IMPORTANCE If more than 1, rank the groups she feels are 'most important' to her (1,2,3)
FF208	Church <i>Kereke</i>				
FF216A1	'Large' Burial society 1 <i>Sehlopha se sepolo sa polokane</i>				
FF216A2	'Large' Burial society 2 <i>Sehlopha se sepolo sa polokane</i>				
FF216B1	'Local' Burial society 1 <i>Sehlopha se setlape sa polokane</i>				
FF216B2	'Local' Burial society 2 <i>Sehlopha se setlape sa polokane</i>				
FF216B3	'Local' Burial society 3 <i>Sehlopha se setlape sa polokane</i>				
FF205	Credit/finance group (not SEF) <i>Sehlopha sa kadi/mashano ya tse dikalaka(E se go SEF)</i>				
FF206	Small Enterprise Foundation <i>Small Enterprise Foundation(SEF)</i>				
FF207	Political group <i>Sehlopha sa dipolotiki</i>				
FF218	Stokvel <i>Stokvel/Mogodishano</i>				
FF209	Cultural association <i>Mokgabo wa sa sa se</i>				
FF219	Prayer group <i>Sehlopha sa thapelo</i>				
FF291	Electricity committee <i>Lekgotla la molagase</i>				
FF212	School committee <i>Lekgotla la sekolo</i>				
FF213	Health committee <i>Lekgotla la sa maphele</i>				
FF214	Water/waste <i>Mokgabo wa sa mets</i>				
FF292	Ward committee				
FF293	Community policing forum				
FF221A	Other 1:				
FF221B	Other 2:				
FF221C	Other 3:				
FF221D	Other 4:				
FF221E	Other 5:				

Rural AIDS and Development Action Research Programme  
Sekhukhuleni IMAGE Study

FF300 : Community participation

Now I'd like to ask a few questions about how much people in this community work together ...

Ga bjale ke tla rata go go botjisha dipotjiso tse mmalwa mabapi le ka mo batho ba mo motseng ba shomishanago ka gona ....

Qu. No.		Codes	
FF301	Suppose a friend of yours in this village/neighborhood faced the following alternatives, which one would s/he prefer most? <i>Are tsee gore moqwerwa wa gago mo motseng wa geno o fwa momelela wa go kpaša go tse di aebago ke sefe seo aka tsego go be dira go naitse dingwe</i>	1 = Own a plot of land entirely by themselves / <i>A be le naga eo elego ya gape eo aka bago 10 hectares ale naitse</i> 2 = Own a much larger (3 fold) plot of land jointly with one other person (not a family member) / <i>Yena le babangwe babe le naga eo elego ya bona eo e ka bago 25 Hectares go naitse ba le naitse mmogo</i> 3 = Don't know/not sure / <i>A ke tseboakena bonnwe</i> 9 = No answer / <i>A gona karabo</i>	
FF302	If a community project does not directly benefit your neighbor but has benefits for others in the village/neighborhood, then do you think your neighbor would contribute time for this project? (if the community project is not ordered by the chief) <i>Ge projeja ya sechaba esa hole moagshave wa gago, efela e shasha babangwe mo motseng, o naganane gore aka nsha shatse go shasha gore projeja e swete pele? (ge fela projeja e salatwe ke kgodi)</i> <i>Give example: help other community members with farming</i>	1 = YES, Will contribute time / <i>Ee, o tla neelana ka nako.</i> 2 = NO, Will not contribute time / <i>Aowa, A ka se neelane ka nako</i> 8 = Don't know/not sure / <i>A ke tseboakena bonnwe</i> 9 = No answer / <i>A gona karabo</i>	
FF303	If a community project does not directly benefit your neighbor but has benefits for others in the village/neighborhood, then do you think your neighbor would contribute money (say about 10R) for this project? (if the community project is not ordered by the chief) <i>Ge projeja ya sechaba esa hole moagshave wa gago, efela e shasha babangwe mo motseng, o naganane gore aka nsha shatse go shasha gore projeja e swete pele? (ge fela projeja e sa laotwe ke kgodi)</i>	1 = YES, Will contribute money / <i>Ee, o tla neelana ka shatse</i> 2 = NO, Will not contribute money / <i>Aowa, A ka se neelane ka shatse</i> 8 = Don't know/not sure / <i>A ke tseboakena bonnwe</i> 9 = No answer / <i>A gona karabo</i>	
FF304	If there were a problem that affected the entire village/neighborhood, for instance lack of water or electricity or a major flood, which scenario do you think would best describe who would work together to deal with the situation? <i>Read answers. Code only one response.</i> <i>Ge go direga gore go be le bohata bjo bo anago mose ka moka bjale ka bwaš bja ditela goba mafala, ke mokgwa ope wo o ka hloloshago ka bkaone bao ba itago shoma mmogo go lokisha setemo se? [BALA DHEKARABO, swaga phutolo e tse fela]</i>	1 = Each person/household would deal with the problem individually / <i>Moho o mangwe le o mangwe o alaitanela bocheng.</i> 2 = Neighbors among themselves / <i>Bangithane ba ala shashana ka bobona</i> 3 = Local government/municipal political leaders would take the lead / <i>Ba mmalho wa selegae ba ala re esa pele bocheng bja.</i> 4 = All community leaders acting together / <i>Ba capete ba moeskatoka ba shoma mmogo.</i> 5 = The entire village/neighborhood / <i>Mase ka moka</i> 9 = Other (describe): <i>Tse dingwe (Hlalona):</i>	
FF391	Crime is a problem in many communities in South Africa. In your village, how would you rate the levels of crime? <i>Bosenyi ke bohata go ditapane ditsho mo SA o ka lekana bja bjang bosenyi bja mo naganane ya geno.</i>	1 = Very bad/common 2 = Not very bad/unusual 3 = Crime is not a concern at all/rare 99 = No response/don't know	
FF392	Would you say that the levels of crime have changed in the past 2 years? <i>Okare maemo a bosenyi a tle fa o pa mo moagwangeng e mebedi ya go fela?</i>	1 = Getting worse 2 = Stable/staying the same 3 = Getting better 99 = no response/don't know	
FF393	People often feel shy about speaking in public. If you were at a community meeting (e.g. School committee) how confident are you that you could raise your opinion in public? <i>Batho ba naitse ditlong ge ba bolela pele ga sa shaba Tlale tseye gore o kopanong ya sechaba o kwa o naitse shemo yo go nsha melatso o pa go pele ga sa shaba?</i> <i>Discuss the code</i>	1 = Very confident and often do 2 = Confident but would need to be encouraged to speak out 3 = Not confident at all/scared to speak in public, and don't 4 = Don't know/not sure	
FF394	Neighbours often have similar problems (e.g. around raising children). How confident do you feel about offering advice to your neighbour? <i>Gaushi baqatani banale masha a swanago (go swana le goyodisa bana). Nte o kwa o naitse shemo yo gofa maripant wa gago mase?</i>	1 = Very confident and often do 2 = Confident but rarely offer advice 3 = Not confident at all 4 = Don't know/not sure	

*Rural AIDS and Development Action Research Programme  
Sekhukhune/land IMAGE Study*

**FF500 : Fire Scenarios**

Imagine that your house has been completely destroyed by a fire. In this question we would like to know whether you feel you could turn to certain people.

*A re ijee gore nlo ya gago e swale loreloret ka malle, mo dipa/jshong ise ke rwa go tshaba gore o bona o kare o kaya lokolopa go ya go mang/pe ba ho ba bangwe.*

			O ka kgopela ...			
			A	B	C	D
Question Number	What to ask ...	Codes	My family / relatives <i>Se tshabe / moko</i>	My neighbours <i>Rang/ke</i>	People from the village I don't know well <i>Bano/bo o se ba tshaba go bwerre mo mading</i>	People from the village I don't know at all <i>Bano/bo o se ba tshaba go mo mading</i>
FF501	To shelter you for two weeks while you make other long-term arrangements? <i>Gore ba go fit bodulo sekano ya dibeke ise pedi, ge asa dira di akisheno isa lebalanyana?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 99 = Don't know / <i>A ke ishe</i>				
FF502	To borrow 50 Rand to help you buy some clothes after the fire? <i>Gore ba go adime R50 go go tshaba go reka dipapero ka morago ga mollo</i>					

Question Number		Codes	
FF503	How confident are you that you alone could raise enough money to feed your family for four weeks? – this could be for example by working, selling things that you own, or by borrowing money (from people you know or from a bank or money lender) <i>O kwa o nale boleshepo bya gore wena o le moithi oka kgona go kgobakana ishelele. yoo e ka lekanago go phadisa ba lelapa la gago sekano ya dibeke ise nne, e ka baka go rekisha dilo/seo elego mag gago, go shoma goba go adima ishelele go bano/bo o se ba tshaba, goba bankeng goba go bo machonisa/bandimisi ba ishelele?</i>	1 = Very confident / <i>Ke tshaba ladu</i> 2 = It would be possible / moderately confident / <i>Goka kgotepe</i> 3 = Not confident at all / <i>Gakene bo tshapo go nna</i> 9 = Don't know / <i>Ga ke ishe</i>	
FF504	Would you say that your household's ability to survive this kind of crisis is better, the same or worse as it was 2 years ago? <i>O bona bokgosi bya go ka iswelela ga lelapa la gago ditrapalong ya moitha wo go t kaone, go swana goba go fokoga kudu go fwa menpwa e merero yago fwa?</i>	1 = Better / <i>Kacoe</i> 2 = Same / <i>Go a swana</i> 3 = Worse / <i>Goa fokoga</i> 9 = Don't know / <i>Ga ke ishe</i>	

*Rural AIDS and Development Action Research Programme  
Sekhukhuleniand IMAGE Study*

**FF600 : Shortages.**

In the past year, have you or your children ever gone without any of the following things you 'really needed' because of a shortage of resources (money):

*Mo nqwaneq wago fea, wena goba bana ba gago le lile la hloka qe dingwe qe she di lalapa, ka lebaka la tshetele ya didirakwa / tshetele.*

Question Number		Codes	
FF601	Food <i>Dijo</i>	1 = Never / <i>Aowa</i> 2 = Once only / <i>pa ee feela</i> 3 = A few times / <i>Nako e nyenyane</i> 4 = Often / <i>Kqetse nak qetse</i> 8 = Not applicable <i>JA gona selo.</i> 99 = No response / <i>ga gona karabo</i>	
FF602	New clothing <i>Dlaparo eje dawa</i>		
FF603	School uniforms <i>Dlaparo eja sekolo</i>		
FF604	School fees <i>Tshelene ya sekolo</i>		
FF605	Fuel (for cooking / heating) <i>Dik gong/Parafin/mohlapani bjale bjale... (go apwa gore le ruelo/ fahumate)</i>		
FF606	Basic household items (for cleaning, cooking, sleeping) <i>Dinyakwa qe bohokwa ka nlong isa go robala go hloka tsha goba go apae</i>		
FF607	Health care (Direct or transport to get to a clinic/hospital) <i>Tsa maphe la clinic/sepele kgawwi goba senanelwa sa goya Clinic/sepelele</i>		
FF608	While living in this house during the past year has anyone from your household gone to another house to ask for food or money because of a shortage? <i>Mo nqwaneq wa go fea qe lebe le dila lalapeng le, yo mongwe ka mo lalapeng o lile a kgopela dijo goba ishe la e lalapeng le lenwe ka baka la alhaelolo?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 9 = No response given / <i>A gona karabo</i>	

**FF400 : Household Dynamics**

Now I'd like to ask you some questions about yourself and your household...

*Ke tla rata go go botjisha dipotjiso mabapi le wena le ba lalapa la gago*

Question Number		Codes	(A) Your live in partner <i>Molokane wa gago</i>	(B) Other adults in household <i>Ba bangwe baba pol ka lalapeng</i>	(C) Yourself <i>Wena</i>
FF403	Think about the money that you bring into the household. How is your contribution viewed by: <i>Gopoditshwa ka tshelene yoo oe tsahago ka mo gae, tshelene ya gago e bonwa bjang ke.</i>	1 = Yours is the most important contribution to the household / <i>Tshelene ya gago e bohokwa</i> 2 = You make <i>some</i> contribution to the household / <i>O nale seabe go ise dingwe ka lalapeng</i> 3 = Your work does not seem very important at all / <i>Tshelene ya gago gae bonwe e le bohokwa</i> 4 = Don't know / <i>A ke tsebe</i> 5 = Not applicable because you don't earn an income / <i>A gona selo</i> 9 = Not applicable for other reasons			
FF404	Think about all the unpaid work you do to support the household, such as all the household chores you do (cooking, cleaning, fetching water). How is your contribution viewed by: <i>Gopoditshwa ka meshomo yoo oe dirago go tshelwa lalapa bjale ka mabongwana ya ka gae oo oe dirago nle le go lalwa go apae, go hloka tsha, meshomo wa gago o bonwa bjang ke.</i>				

*Rural AIDS and Development Action Research Programme  
Sekhukhuleni and IMAGE Study*

**FF900 : Decision Making in the Home**

For the following activities, do you need to obtain anyone's permission, or can you decide to do them yourself? Code the one that applies most often

*Go tje dikatelago o hloka tumelelo gotswa go yo mongwe, goba o kano tsea sephetho ka bowena g odira seo (swaya seo diragago kgafetsa kgafetsa).*

Qu.No	To do	Codes	A I live in Partner's home	B Partner's house	C I live in my house	D Other HH member to manage my house	E I don't have to obtain anyone's permission Go ke kabe gona karabo
FF901	Male: small purchases for yourself (e.g. some clothes) <i>Go tshela ditwana tse nyane (bjale ka diaparo).</i>	1 = Yes / Ee 2 = No / Aowa 3 = Not applicable / Ga e gona 9 = No response / A gona karabo					
FF902	Male: large purchases for yourself (e.g. a cell phone) <i>Go tshela dilo tse kgolo (go swana le cellphone).</i>						
FF903	Male: small purchases for the household (e.g. a chicken) <i>Go reka dilo tse nyane tsa ka gae (go swana le seshebo).</i>						
FF904	Male: medium sized purchases for the home (child clothing) <i>Go reka dilo tse nyane tsa ka gae (diaparo tsa bana).</i>						
FF905	Male: large purchases for the home (furniture, fridge) <i>Go reka dilo tse kgolo tsa lalapa (go swana le diphelelo, sevidjant).</i>						
FF906	Take your children to the clinic or hospital <i>Go tsha bana Clinic/Sepelele.</i>						
FF907	Visit your birth family <i>Go eela ba gona (ba o swaneng go le bona).</i>						
FF908	Visit your friends in the village <i>Go eela bagwera ba gona mo moseny.</i>						
FF909	Visit friends or relatives outside of the village <i>Go eela meloko le bagwera ba gona ka ntle ga mose.</i>						
FF910	Join a credit group or other organisation involved with money <i>Go ba leloko la sehopa sa kaditshano ya ditshela e goba mokopalo woo o amanago le tsa ditshela.</i>						

Note to interviewer : Many of the remaining questions ask about how things are going in relationships. When I ask about your 'partner' from this point on, think both about the man/men you may live with at home, or others who you may see only from time to time. These may live locally or far away from home. Please remember that all answers will be kept confidential. *Bontsi bja dipotsiso tseo di setsago di botswa ka mo diro di sepelago mo dikamong tsa gago. Ge ke go botswa ka molekane go tloga mo, gopola ka monna/banna bao e phelago le bona mo gae gobayo o bao o bononago le bona ka lebaka myana. Ba ka dula kgole goba kgaswi gopola gore dikarabo tsa gago ke sephiri.*

*Rural AIDS and Development Action Research Programme  
Sekhukhuleni IMAGE Study*

**FF9000 : SEF questions (IMAGE Women Only)**

I'd like to ask you just a few questions about your experience being part of the SEF/Sisters for Life Programme.

Qu No.		Codes		
FF9001	Have you ever been a member of the Small Enterprise Foundation? <i>O kile wa ba letoko la SEF?</i> If No, go to the bottom of page 8.	1= Yes, E 2= No, Aowe 99= No response A gona karabe		
FF9002	Approximately when did you receive your first loan from the Small Enterprise Foundation? / <i>O kare o amopela neng kadimo ya gago ya sheshele ya mahono pa swa go SEF?</i>	Give date (mm/yyyy) Eja letswai		
FF9003	Have you ever had a leadership position in the SEF centre? <i>E kaka o kile wa ba moeta mo sefharang?</i>	1= Yes, 2= No, 9 = No response		
FF9004	How many loans have you received and paid back in full from the Small Enterprise Foundation? / <i>Ke di kadimo tse kae tseo o di iserego, tseo o seasego o di letle mo go SEF?</i>	Give number / Eja palo		
FF9005	What was the size of the largest loan you have paid back in full from the Small Enterprise Foundation? / <i>E ka ba ke kadimo ya bokae e kgolo yeo o seasego o tlelle?</i>	Give value in Rands		
FF9006	Did you attend the 10 formal training sessions called "Sisters for Life" ['health talks', that happened before certificates were given out]? / <i>E ka ba o ile wa ba gona mo go di karolo tse lesome tsa tlhahlo ya tsa maphelo / 'Sisters for Life'? Tseo di bilego gona pele go abwa ditjikeini.</i>	1 = I attended all of the sessions / <i>Ke moka</i> 2 = I attended half or more than half of the sessions / <i>Seripapere gobek a gofimo</i> 3 = I attended less than half of the sessions / <i>Ke thuse go seripapere</i> 4 = I attended none of the sessions / <i>Lejole</i>		
FF9007	Did you receive a certificate at the end of the 10 formal training sessions called "Sisters for Life" ['health talks']? / <i>E ka ba o kile wa amogela serijikeini mafelalong a o tlhahlo yeo ya tsa maphelo</i>	1= Yes, 2= No, 9 = No response		
	For each of the following statements mark the appropriate code / <i>Mo di potsoang tse dilatelago swaya karabo yeo e nep getsego</i>			
FF9008	The trainers were well informed and knew a lot about the subjects / <i>Bahlahlhi ba be banale tsebo yeo e isenelasego mabapi le tseo ba bego ba di bolela</i>			
FF9009	I felt uncomfortable with some of the topics / <i>Ga se ka iketla ka tse dingwe tsa ditsho</i>	1= I strongly agree / <i>Ke dumela kudu</i> 2= I agree / <i>Ke a dumela</i> 3 = I disagree / <i>Ke a gane</i> 4 = I strongly disagree / <i>Ke gane kudu</i>		
FF9010	I felt like I had the chance to participate and ask questions if I wanted to / <i>Ke ikwele ke hwetla nako ya go tseka karolo le go busisa dipotso.</i>			
FF9011	I learned nothing new / <i>Ga se ka tshusa seto se siswa</i>			
FF9012	The training has had a major impact on my life / <i>Tlhahlo yeo e bile lekhetso e kgolo mo bo phelong bja ka</i>			
FF9013	I often spoke of what I learned in the training to family and friends outside of the meetings / <i>Ke hwa ka bolela ka tseo ke tshutsego tsona le ba letapa le bagwera bao e sego maloko a SEF</i>			
FF9014	The people in my loan group support me when I am having problems / <i>Maloko a sehlopa saka ba mhekaga ge ke nale mathata</i>			
FF9015	IF YES (1 or 2 to FF9014), how would you best describe the type of support members of the group provide to you? <i>Ye ele gore (1 or 2 to FF9014) o ka hlalosa bjang thekgo yeo ba go fago yona</i> Mark all that apply  (1=Yes, 2=No, 3=Not applicable)	A = Help with financial issues / <i>Ba nkhutsa ka ditshetle</i> B = Advice with business issues / <i>Maele ka tsakgwebo</i> C = Advice with personal issues / <i>Maele tsa bophelo</i> D = Other material support (ie. food, clothing) / <i>Tse dingwe tsa ditlo go swana le tjo diparo</i> E = Emotional support (love, caring, friendship) / <i>Thekgo yo matkoto (leraq, tlakomela, segwera)</i> F = Other / <i>tse dingwe _____</i>		
	We would like to know about your experience since certificates were awarded at the end of the Sisters for Life programme? <i>Re rana go tseba ka boisemogeto bja gago marago go go hwetla tsiifikeini go tlhahlo ya tsa maphelo.</i>			
FF9016	Have you ever attended a natural leadership workshop in Bushbuckridge? / <i>E kaba o kile wa go workshopong Bushbuckridge ya boetapele?</i>	1= Yes, 2= No, 9 = No response		
FF9017	Have you ever attended a natural leaders meeting, not held in Bushbuckridge? / <i>E kaba o kile wa ya kopanong ya boetapele e sego Bushbuckridge</i>	1= Yes, 2= No, 9 = No response		

**Rural AIDS and Development Action Research Programme  
Sekhukhuneland IMAGE Study**

SEF Questions continued ...

<i>In the next questions, we would like to ask you about your center's activities</i>			
<b>For each of the following statements mark the appropriate code</b>			
FF9018	I was active in trying to formulate and do an "action plan" with my centre / <i>Ke be ke nale mafolofolo go bopa le go tswelera polane yeo e ka diragalago</i>	1= I strongly agree / <i>Ke dumela kudu</i> 2=I agree / <i>Ke a dumela</i>	
FF9019	I participated in the activities organised by my centre in our village and local area / <i>Ke tsere karolo go meroro yeo e beakan tswego ke senhara ya rena le badudi ba mo nageng</i>	3 = I disagree / <i>Ke a gana</i> 4 = I strongly disagree/ <i>Ke gana kudu</i>	
FF9020	I think my centre was successful in trying to change things in our village through its action plans / <i>Ke nagana gore senhara ya rena e tsweleleise ka go leka go fetola dilo mo nageng ya gesso</i>		
FF9021	Are you <b>currently</b> a member of the Small Enterprise Foundation?/ <i>E kaba ke wena leloko la SEF. If NO go to F9026.</i>	1= Yes, 2= No, 9 = No response If NO, go to ...	
FF9022	Of the last 4 scheduled SEF centre meetings, how many have you personally attended?/ <i>Mo di kopanong tse 4 tsa SEF tsa mafelela, e ka ba ke tse kae tseo o beng o le gona?</i>	Give number	
FF9023	If less than 4; for how many of those meetings you missed did you send an apology letter?/ <i>Ge e le gore di ka tlase ga 4, ke tse kae tseo o rometsego lengwalo la go phophotha?</i>	Give number	
FF9024	If less than 4; for how many of those meetings you missed, did you send a representative who is not a SEF member to represent you?/ <i>Ge ele gore di ka tlase ga 4, ke dikepano tse kae tseo o orometsego moemedi esego leloko la SEF gore a go emale?</i>	Give number	
FF9025	Some people find staying with the SEF/SFL programme very challenging. What do you think were the biggest challenges you faced? <i>Batho ba bangwe ba hwetsa gore goba leloko la SEF le tlhahlo ya tsa maphelo ke thloto. E ka ba o nagana gore tlhatho e kgolo yeo oilego wa lebana le yona ke efe?</i> Ask each individually 1 = Yes / <i>Ee</i> 2= No/ <i>Aowa</i> 9 = No response / not applicable	A=Had trouble keeping up with repayments / <i>O bile le bohara bja go paela sekolo</i>	
		B=Interest too high/ <i>Lesokoso le godimo kudu</i>	
		C=Meetings too long/ <i>Kopano e le e retele</i>	
		D=Didn't get along with members of my group / <i>O fapane le maloko a sehlapa sa gago</i>	
		E= Didn't get along with members of my centre / <i>O fapane le maloko a senhara</i>	
		F=problems at home with my partner/ <i>O bile le bohara gae le molikane</i>	
		G= problems at home with other family members/ <i>O bile le bohara gae maloko a lelapa</i>	
		H= Death or illness in household/ <i>Lehu/bohwere ka lelapeng</i>	
I= Didn't like the SFL training/ <i>Ga se o rare tlhahlo ya tsa maphelo</i>			
J= Other/ <i>Tse dingwe _____</i>			
FF9026	If NO, when did you stop being a member of SEF?/ <i>Ge e le gore aowa, o tlogetse neng goba leloko la SEF</i>	Give date (mm/yyyy)	
FF9027	When you stopped attending SEF meetings, did you owe them any remaining money?/ <i>Ge o tlogela goba leloko la SEF o be o sa nale sekoloto</i>	1 = Yes / <i>Ee</i> 2 = No <i>Aowa</i>	
FF9028	Give the main reasons you stopped being a member of the Small Enterprise Foundation / <i>E fa lebaka leo le dirilego gore o tlogele go ba leloko la SEF.</i> Ask each individually 1 = Yes / <i>ee</i> 2= No / <i>Aowa</i> 9 = No response / not applicable	A=Had trouble keeping up with repayments / <i>O bile le bohara bja go paela sekolo</i>	
		B=Interest too high/ <i>Lesokoso le godimo kudu</i>	
		C=Meetings too long/ <i>Kopano e le e retele</i>	
		D=Didn't get along with members of my group / <i>O fapane le maloko a sehlapa sa gago</i>	
		E= Didn't get along with members of my centre / <i>O fapane le maloko a senhara</i>	
		F=problems at home with my partner/ <i>O bile le bohara gae le molikane</i>	
		G= problems at home with other family members/ <i>O bile le bohara gae maloko a lelapa</i>	
		H= Death or illness in household/ <i>Lehu/bohwere ka lelapeng</i>	
		I= Didn't like the SFL training/ <i>Ga se o rare tlhahlo ya tsa maphelo</i>	
		J= I didn't need SEF loans any more / <i>O be o sesa nyaka dikadimo tse dingwe</i>	
		K=Other/ <i>Tse dingwe _____</i>	
FF9029	In general, how would you rate your partner's support for you joining SEF?/ <i>Ka kakaretso o kare thekgo go tswa go molekane wa gago ge o tsena mo go SEF ke a kae?</i>	1 = Very supportive / <i>O mpha thekgo e kgolo</i> 2 = Difficult at first, but now supportive / <i>O bile bohara marhomong ka morago a mpha thekgo</i> 3 = Not supportive at all / <i>Ga ana thekgo le ennyane</i> 4 = He didn't care / <i>Ga ana le tseo</i> 8 = Don't know/ <i>Ge ke tsebe</i> 99 = No partner/not applicable / <i>Ge ke na molekani / ge gona selo</i>	

**Interviewer :** If the respondent is eligible for the Young Person's Questionnaire, this interview is now complete. Go to the front page and complete this. If not eligible, turn the page and complete pages 9-16.

Rural AIDS and Development Action Research Programme  
Sekhukhune/land IMAGE Study

FF9100 : Communication on HIV / AIDS

Question Number	In the last 12 months Have you spoken about ...  <i>Mo dikwedeng tse 12 o kile wa bolela ka ....</i>	Codes	Have you spoken to ...													
			A	B	C	D	E	F								
			Your own or your friends' Children (aged 10-25yrs) <i>Bana ba nako</i>	Your own spouse or sexual partner(s) <i>Molafane wa gogo</i>	Your parents/ guardians <i>Batswadi ba gogo</i>	Other household members <i>Matlako a lelapa</i>	Teachers <i>Batutshi</i>	Friends from outside the household <i>Bagwera go tswa ka ntle</i>								
FF9101	Sex, and sexuality in general <i>Thobalano ka kakaretso</i>															
If No; go to YY9105. If Yes, In any of the conversations you had with this person did you talk about.																
FF9102A	Abstinence or reducing numbers of partners / <i>Go ila thobalano goba go fokotsa balekane</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i>														
FF9102B	Body changes (menstruation, puberty etc.) / <i>Phetogoya mmele (lehlapo)</i>	3 = Not applicable / <i>Ga e gona</i>														
FF9102C	Pregnancy or birth control / <i>Go ima goba go laoka pelegi</i>	9 = No response / <i>A gona karabo</i>														
FF9102D	Condom use / <i>Tshomiso yo di condom</i>															
FF9102E	STDs or HIV in general / <i>Malwetsi a go fetela ka thobalano / HIV</i>															
FF9102F	Preventing HIV / <i>Go isheretsetsa kgahlanong tsa HIV</i>															
FF9102G	Getting tested for HIV / <i>Go dira ditseko tsa HIV</i>															
FF9103	In general, how did these discussion start? <i>Ka kakaretso o kare dipoledisano tse dihomile bjang?</i>	1 = You planned it / <i>O be ya kantse</i> 2 = The other person came to me / <i>Motho o tšile go nna</i> 3 = It just happened / <i>Go filo direga</i> 99 = Don't know / not applicable / <i>Ga ke tsebe</i>														
FF9104	In the conversations mentioned above did you generally feel comfortable discussing these issues? / <i>Mo di poledisano tsa ka godimo o be o e kwa o lokologile?</i>	1 = Very comfortable / <i>Go lokologa ka kudu</i> 2 = Comfortable / <i>Go lokologa</i> 3 = A little unsure of myself / <i>A kena bonnere bjo</i> 4 = No, I felt uncomfortable / <i>Ke ba ke salokologa</i>														
FF9105	At any point in the last 12 months have you sought advice on any issues relating to sex, sexuality HIV, condoms etc. <i>O kile wa kgopela dikeletso mabapi le ditaba tseo di amanago le thobalano, HIV, condoms, bjale bjale...</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 3 = Not applicable / <i>Ga e gona</i> 9 = No response / <i>A gona karabo</i>														
FF9106	In your household, do you feel 'free' / open to discuss issues of sex and sexuality? <i>Ka gae o kwa o lokologile go ka boledishana ka ditaba mabapi le thobalano?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 99 = Don't know / <i>A ke tsebe</i>														
FF9107	In your household, has communication around sensitive issues like relationships or sex changed over the last year? <i>Ka gae, poleidishano mabapi le tsa thobalano e fetogile mo mgwageng wa go feta?</i>	1 = Easier / <i>Bonolo</i> 2 = More Difficult / <i>Boima kudu</i> 3 = Stayed about the same / <i>A gona karabo</i> 99 = Don't know / <i>A ke tsebe</i>														
FF9108	How old were you when your parents / guardians first talked to you about sex <i>O be o nale mengwaga e me kae ge batswadi / bahlokome di bagaga ba boledishana le wena la mathomo ka tsa thobalano.?</i>	Give age / <i>Efa mengwaga</i> 98 = Never talked / <i>A se nke ba bolela</i> 99 = Don't know or don't remember														
FF9109	From which sources (people, places or things) have you learned most about HIV/AIDS? / <i>Ekaba ke kae mo o hweditsego tsebo (baho, lefelo, dilo) mo o hweditsego tsebo mabapi le HIV/AIDS?</i> Do not read out options. Record all mentioned. <i>O seke wa bala di karabo. Swaya ka moka tseo di boletswego?</i> (1) = Mentioned (2) = Not mentioned		1=Radio / <i>Se ya lemoya</i>	2=TV / <i>Telutšini</i>	3=Newspapers / magazines / <i>Kurawa</i>	4=Pamphlets / posters	5=Healthworkers / <i>Ba maphelo</i>	6=Religious groups / <i>Sehlopa sa badumedi</i>	7=The classroom / <i>Sekolana</i>	8=Community meetings / <i>Kopano ya seshaba</i>	9=Friends / <i>Bak gosi</i>	10=Parents / <i>Batswadi</i>	11=Brothers / sisters / <i>Di kgaesedi</i>	12=Other relatives / <i>Ba mekoko</i>	13=Work place / <i>Mosokomong</i>	14=None

Rural AIDS and Development Action Research Programme  
Sekhukhuneland IMAGE Study

FF9200 : Risk perception and community action

Qu No.		Codes	
FF712	Have you ever thought about your own potential risk of HIV / AIDS? <i>O kile wa nagana gore okaba kosing ya go fetelwa ke HIV/AIDS?</i>	1 = Yes / Ee 2 = No / Aowa 8 = Don't Know / A ke tsebe 99 = No Response / A gona karabo	
FF705	In the last 12 months have you <u>felt like you wanted</u> to do anything to decrease your risk of infection with HIV? <i>Dikgweding tse 12 tsa go feta o kile wa kwa o kare oka dira se sengwe go fokorsa kgonagalo ya go fetelwa ke HIV?</i>	1 = Yes / Ee 2 = No / Aowa 99 = No response given / A gona karabo	
FF706	In the last 12 months have you <u>tried</u> to do anything to decrease your risk of infection with HIV? <i>Dikgweding tse 12 tsa go feta o kile wa leka go dira se sengwe go fokorsa kgonagalo ya go fetelwa ke HIV?</i>	1 = Yes / Ee 2 = No / Aowa 99 = No response given / A gona karabo	
FF707	<b>If YES,</b> What did you <u>try</u> to do ? <i>Ge ele gore go bjalo, O lekile eng?</i> [Do not read out list] <i>[O se bale tseo di ngwadilwego]</i> Mark (1) if mentioned Mark (2) if not mentioned	1 = Abstain from sex / <i>Go ila thobalano</i> 2 = Have less partners / <i>Go ba le palo e nyenyane ya balekane</i> 3 = Used a condom for the first time / <i>O shomishise condom la mahomo</i> 4 = Used a condom more often / <i>O shomishise condom ka mehla</i> 5 = Tried talking to partner / <i>O lekile go boledisana le molekane</i> 6 = Encouraged partner to be faithful / <i>O hlohlele diuse molekane gore a tshpegale</i> 7 = Asked partner to use condoms with other partners / <i>O kgopetse molekane go somisa condoms le balekane ba bangwe ka ntle</i> 9 = Be faithful to one partner / <i>Go ishephagalela molekane o tee</i> 8 = Other / <i>Tse dingwe _____</i> 99 = No response / <i>A gona karabo</i>	
FF708	How successfully do you feel you were able to change your life in the ways that you wanted ? <i>O kwa o kgonne go fihla kae, ka go fetola bophelo bja gago gore bo be ka tsela eo o nyakago bo eba ka yona?</i>	1 = Very successfully / <i>Kgonne kudu</i> 2 = Quite successfully / <i>kgonne</i> 3 = Not very successfully / <i>kgonne ga nyenyane</i> 4 = Not at all / <i>Paletswe</i> 99 = No response / <i>a gona karabo</i>	
FF709	<b>If NO,</b> Why not? [Do not read out list] <i>Ge ele gore gago bjalo, Efa mabaka a tshitego</i>	1 = Hadn't thought about it / <i>ga se wa nagana ka yona</i> 2 = Don't feel I am at risk / <i>gao bone gole bohlokwa</i> 3 = Find difficult to change my behaviour / <i>O hwetsa go le boima go fetola mokgwa wa go phela</i> 4 = Find it hard to change partner's behaviour 8 = Other / <i>Tse dingwe _____</i> 99 = No response	
FF713	If you were to consider your risk of HIV now now would you consider yourself at high, medium, low or no risk at all of HIV / AIDS <i>Ge o lebleletse potsisho ela ga bjale, o bona kotsi yago re o fetelwa ke HIVele godimo, magareng, fase goba ga o bone kotsi?</i>	1 = High / <i>Godimo</i> 2 = Medium / <i>Magareng</i> 3 = Low / <i>Fase</i> 4 = No risk / <i>A gona kotsi</i> 99 = No response / <i>A gona karabo</i>	
	<b>For each of the following statements mark the appropriate code</b>		
FF9201	People in my village do not believe that AIDS is here / <i>Batho a ma nageng ya ga gesso ga ba tshpe gore AIDS e gona</i>	1= I strongly agree 2=I agree 3 = I disagree 4 = I strongly disagree	
FF9202	People in my village are not doing much to fight HIV/AIDS / <i>Batho ba ma nageng ya gesso ga ba some kudu go hwantsa HIV/AIDS</i>		
FF710	In the past 2 years, have you participated in a meeting, march, rally or gathering around HIV/AIDS awareness? <i>O kile wa tsea karolo mogwantong goba kopanong yogo tsebagatse HIV/AIDS mo mengwageng e 2 ya go feta?</i>	1 = Yes / Ee 2 = No / Aowa 8 = Don't Know / A ke tsebe 99 = No Response / A gona karabo	
FF711	Have you ever been involved in the organization of such a meeting or gathering? <i>O kile wa tsea karolo thulaganyong ya kopano yeo?</i>	1= RADAR only 2= SEF only 3 = Heard of both 4 = Heard of neither	
FF9203	Before talking to me today, had you heard of RADAR or SEF? <i>Pele ga ge o botela lenna lehono, o ile wakwa ka ga RADAR goba SEF</i>		

*Rural AIDS and Development Action Research Programme  
SekhukhuneLand IMAGE Study*

**FF9300 : Voluntary Counselling and Testing**

Qu No.		Codes	
FF713	I don't want to know the result, but have you ever had an HIV test? <i>A ke nyake go tseba dipoelo, efela okile wa ya ditseko tsa HIV?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 99 = No Response / <i>A gona karabo</i>	
FF713A	<b>IF NO,</b> Why not? <i>Ge ele aowa, ke ka lebaka la eng</i> Read the list and ask the person to pick the ONE ANSWER that most closely resembles their personal situation.	1 = Never thought about it 2 = Don't think I am at risk 3 = Fear of stigma/consequences of a positive result 4 = Don't know where to get it 5 = I don't think there is any advantage to getting tested 6 = I am afraid to know 7 = Other / <i>Tse dingwe</i> 99 = No response / <i>A gona karabo</i>	
FF713B	<b>IF YES,</b> Did you voluntarily undergo the HIV test, or were you required to have the test? <i>O ithapile go dira ditseko goba o gapetswe go dira seo ?</i>	1 = Voluntary counselling and testing / <i>Ditseko tsa boithapelo</i> 2 = Tested because a doctor/nurse suggested it / <i>O ile ditseko ka lebaka la gore ngaka goba mooki a akanuse seo</i> 3 = Insurance related testing / <i>Ditseko ka lebaka la insurance</i> 4 = Employer related testing / <i>Ditseko ka lebaka la mosomo</i> 5 = Antenatal testing / <i>Ditseko ka lebaka la boimana kliniking</i> 6 = Other / <i>Tse dingwe</i> 99 = No response / <i>A gona karabo</i>	
FF713C	<b>IF YES,</b> Please do not tell me the result, but did you find out the result of your test? <i>Ke kgopela gore ose mpothe dipoelo, efela okile wa humana dipoelo tsa gago mabapi le teko ya HIV?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 99 = No Response / <i>A gona karabo</i>	
FF713D	<b>IF YES,</b> When did you have your most recent HIV test? <i>Ke neng la mafelelo mo o dirilego ditseko tsa HIV ?</i>	1 = Within The Past Year / <i>Ngwageng wa go feta</i> 2 = Between 1-2 Years / <i>Magareng ga 1-2 ya mengwaga</i> 3 = Between 2-4 Years / <i>Magareng ga 2-4 ya mengwaga</i> 4 = More Than 4 Years Ago / <i>Mengwaga ye 4 ya go feta</i> 8 = Don't Know / <i>A ke tsebe</i> 99 = No Response / <i>A gona karabo</i>	
FF713E	<b>IF YES,</b> Where did you go for HIV testing? <i>Ge ele Ee, O dirile ditseko kae?</i>	1 = The clinic that I usually use for minor health problems 2 = Clinic in another community in this region 3 = Nearest hospital 4 = Clinic or hospital in another region 5 = Private GP 6 = Other 99 = No response	

**Rural AIDS and Development Action Research Programme  
Sekhukhuneland IMAGE Study**

**FF9400 : Societal Norms**

In this community and elsewhere, people have different ideas about families and what is acceptable behavior for men and women in the home. I am going to read you a list of statements. Firstly, I would like you to tell me if you feel the statement agrees with what is generally accepted in your culture. Then I will ask you about your own opinion. There are no right or wrong answers.

*Mo setshabeng sa mo le dishabeng tse dingwe, batho ba nale dikgopolo tse fapamago ka malapa le gore ke eng seo se amogelelago maishwarong a banna le basa di ka ma gae. Ke tlo go balela tseo di latela go. Ga poele ke tlo rata gore o mpothe gore o dumelelana le mafoko a go ya ka setso sa geno. Ke moka ke tla go botsisa go ya ba kgopolo ya gago. A gona karabo ya nnete goba ya maaka.*

Question Number			It is culturally accepted that ... <i>Go ya ka setjo, go a dumelelega gore...</i>	In your own opinion, do you agree that... <i>Go ya ka wena, o a dumela/amogela gore...</i>
FF801	A woman should do most of the household chores (cooking, cleaning), even if the husband is not working <i>Mosadi o swanetse ke go dira meshomo kamoka ya ka gae/ go hwekisha go apea... ) lege molekane wa gagwe ale gona?</i>	1 = Agree / Dumelelana 2 = Disagree / Ganana 9 = Don't know / A ke tsebe		
FF802	If a man has paid lobola, it means that his wife must always obey him. <i>Ge monna a nshitse magadi, seo sera gore mosadi wa gagwe o swanelwa ke go mo theetsa / obamela ka mehla?</i>			
FF803	If a woman asks her husband to use a condom, she is being disrespectful to her husband <i>Ge mosadi a kgopela molekane wa gagwe go shomisha condom nakong ya thobalano, se sera gore ga ana thlomphe ?</i>			
FF804	If a woman asks her husband to use a condom it means that she must be sleeping around with other men <i>Ge mosadi a kgopela molekane wa gagwe go shomisha condom nakong ya thobalano, se sera gore a kano ba a robalana le bangwe kantle?</i>			
FF805	A man needs to have many sexual partners, and the wife must just tolerate this <i>Monna oswanetse goba le dinyatsi, gomme mosadi waga gwe a kgotle seo?</i>			
FF806	A woman should never divorce her husband, no matter what happens <i>Mosadi ga a swanela go hlala/tlogela molekane wa gagwe le ge go ka direga eng.</i>			
	<b>It is acceptable for a married woman to refuse to have sex with her husband if</b> <i>Go ya ka wena, go a amogelega gore mosadi eo a nyetswego a gane go robalana le molekane wa gagwe ge:</i>			
FF807	She doesn't want to <i>A sa nyake.</i>	1 = Agree / Dumelelana 2 = Disagree / Ganana 9 = Don't know / A ke tsebe		
FF808	He refuses to use a condom <i>Ge a gana go shomisha condom</i>			
FF809	She is angry because he has other girlfriends <i>Ge a kgopishitse ke gore o nale dinyatsi.</i>			
FF810	She is worried he may have AIDS <i>Ge a belaela gore o nale AIDS.</i>			
	<b>In your opinion, does a man have a good reason to hit his wife if:</b> <i>Go ya ka wena, monna o nala mabaka a go betha molekane wa gagwe ge :</i>		<b>C</b>	<b>Y</b>
FF9401	She refuses to have sex with him / <i>A gana go robalana le yena</i>	1 = Agree / Dumelelana 2 = Disagree / Ganana 9 = Don't know / A ke tsebe		
FF9402	She asks him to use a condom / <i>A mokgopela gore a shomishe condom</i>			
FF9403	He finds out that she has been unfaithful / <i>Ge a humane gore ga a tshpege</i>			
FF9404	Disagrees with him in public / <i>Ge a ganana le yena gare ga batho</i>			

**Rural AIDS and Development Action Research Programme**  
**Sekhukhuleni IMAGE Study**

**FF9500 : Knowledge and stigma on HIV / AIDS**

Qu No			
FF9501	Do you think that a healthy-looking person can be infected with HIV, the virus that causes AIDS? <i>Ge o nagana motho wa lebelelega a phelegile a ka ba ana le HIV, twatsi eo e hlolago AIDS?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 8 = Don't Know / <i>A ke tsebe</i> 99 = No Response / <i>A gona karabo</i>	
FF9502	Can a pregnant woman infected with HIV transmit the virus to her unborn child? <i>Mosadi yo a le go mmeleng gomme a tsenwe ke HIV aka fetshetsa twatsi ngwaneng yoo a sego a belegwa ?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 8 = Don't Know / <i>A ke tsebe</i> 99 = No Response / <i>A gona karabo</i>	
FF9503	Would you be willing to share a meal with a person you knew had HIV or AIDS? <i>Oka ikemisetsa go kopanela dijo le motho yo o tsebago gore o nale HIV/AIDS ?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 8 = Don't Know / <i>A ke tsebe</i> 99 = No Response / <i>A gona karabo</i>	
FF9504	If a relative of yours became ill with HIV, the virus that causes AIDS, would you be willing to care for him in your household? <i>Ge e mongwe wa leloko la geno aka tsenwa ke HIV, twatsi eo e hlolago AIDS o ka kgona go mo hlokomela ka mo gae?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 8 = Don't Know / <i>A ke tsebe</i> 99 = No Response / <i>A gona karabo</i>	
FF9505	If you knew a shopkeeper or food seller had the HIV virus, would you buy food from them? <i>Ge obe oka tseba gore morekishi lebenkeleng goba morekishi wa dijo o tsenwe ke twatsi ya HIV, obe o ka reka dijo go bona?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 8 = Don't Know / <i>A ke tsebe</i> 99 = No Response / <i>A gona karabo</i>	
FF9506	If a member of your family became ill with HIV, the virus that causes AIDS, would you want them to keep it a secret and not tell anyone else? <i>Ge e mongwe wa leloko la geno aka tsenwa ke HIV, twatsi eo e hlolago AIDS o ka kganyoga gore ebe sephiri, ba se botse motho?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 8 = Don't Know / <i>A ke tsebe</i> 99 = No Response / <i>A gona karabo</i>	
FF701	I don't want to know who, but do you know of anyone who is infected with HIV or who has died of AIDS? <i>A ke nyake go tseba gore ke mang, efe la go na le motho yo o mo tsebago a na le go HIV goba yo a hlokofetse go ka AIDS?</i> <b>If No, go to NEXT PAGE</b> <i>Ge e le aowa e ya go letlaka leo le latela go.</i>	1 = Yes, But Not A Friend or Relative / <i>Ee, efela esego mogwera goba leloko</i> 2 = Yes, Friend Or Relative / <i>Ee, mogwera goba leloko</i> 3 = No / <i>Aowa</i> 8 = Don't Know / <i>A ke tsebe</i> 99 = No Response / <i>A gona karabo</i>	
FF702	I don't want to know who, but to your knowledge, is anybody in your household living with HIV? <i>Ake nyake go tseba gore ke mang, efela go ya tsebo ya gago go nale motho yo a phelago le HIV ka mo gae?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 8 = Don't Know / <i>A ke tsebe</i> 99 = No Response / <i>A gona karabo</i>	

*Rural AIDS and Development Action Research Programme  
Sekhukhuneland IMAGE Study*

**FF9600 : Partnership relationships**

**IF ANSWERED NO (2) TO  
QUESTION FF691 (no partner), GO TO END**

When two people are in a relationship, they usually share both good and bad moments. I would now like to ask you some questions about your relationship/s and how you are treated. If anyone interrupts us I will change the topic of conversation. I would again like to assure you that your answers will be kept secret, and that you do not have to answer any questions that you do not want to. May I continue?

*Ge batho bababedi ba nyalana goba ba dula ga mmogo, ba nale go kopanela dilo the botse le the mpe. Ga bjale ke tla rata go go botjisha mabapi le dikamano sebakeng sa bjale, le ka moo molekane wa gago a go phedishago ka gona. Ge yo mongwe a re tsenela ke tla fetosha hlogo ya taba, ga pe ke rata gogo botja gore dikarabo ka moka tjeo o mphago tjona e tla ba sephiri le gore gao gapeletswe go araba dipotjiso tjeo o sa rate go go di araba. Nka tswela pele?*

Question Number	In your relationship/s with any of your partners has any the following happened?	Codes	Has this Ever happened <i>Se kile sa direga</i>	Has this happened in the past 12 months? <i>Se diregile dikgweding the 12 tja go feta</i>
FF1001	He encouraged you to participate in something outside of the home that was only for <i>your</i> benefit (ie. women's group, church group) <i>A go hlokleletsa go tsea karolo go se sengwe sa tseo di diregago mo motseng, esego ka gae efela dinale mohoka go wena fela (Sehlopha sa kereke, Sehlophasa basadi)</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 3 = Not applicable / <i>Gae gona</i> 99 = No Response / <i>A gona karabo</i>		
FF1002	He asked your advice about a difficult issue or decision <i>Kgopela Dikeletso gotswa go wena mabapi le sephotho se boima goba ditaba tse bothata.</i>			
FF1003	He kept you from seeing your friends ? <i>Leka go go thibela/ganetsa go bonana le bagwera ba gago.</i>			
FF1004	He restricted your contact with your family of birth? <i>Leka go go thibela/ganetsa go kopanela/bonana le meloko ya geno.</i>			
FF1005	He insisted on knowing where you are at all times ? <i>Gapeletsa go tseba ka mesepelo ya gago ka mehla.</i>			
FF1006	He wanted you to ask permission before seeking health care for yourself ? <i>Nyaka gore ka mehla o kgopele tumelelo go yena pele ga ge oka nyaka thusho ya tsa maphele.</i>			
FF1007	He insulted or humiliated you in front of other people? <i>Go hlapaola/roga goba ago nyenyefatja pele ga batho.</i>			
FF1008	He boasted about girlfriends or brought them home? <i>Ikgantsha ka batlabe/dinyatsi tsa gagwe goba a ba tlisha ka gae.</i>			
FF1009	He tried to evict you from the home? <i>Leka go go ntsha/raka ka mo gae.</i>			

*Rural AIDS and Development Action Research Programme  
SekhukhuneLand IMAGE Study*

FF9600 Continued ...

Question Number		Codes	
FF1010	Are you able to spend your money/savings how you want yourself, or do you have to give all or part of the money to your partner? <i>O kgona go shomisha mogolo/tshelete ya gago ka mo go ratang wena goba o swanelwa ke efa molekane wa gago engwe?</i>	1 = Self / own choice / <i>ka bonna</i> 2 = Give part to husband / partner / <i>Ke fa molekane e ngwe.</i> 3 = Give all to husband /partner / <i>Ke efa molekane ka moka.</i> 99 = Does not have savings/earnings / <i>A ke amogele selo.</i>	

Quest Num	I want you to tell me if any of the following things have happened to you? <i>Ke tla rata gore o mpoise ge ele gore se sengwe sa tse dilatela go se kile sa direga magareng ga gago le molekane wa gago wa bjale</i>	Codes	(A) Has this Ever happened <i>Se kile sa direga</i>	(B) Has this happened in the past 12 months? <i>Se diregile dikgweding the 12 tja go feta</i>
FF1011	Has your partner ever taken your earnings or savings from you against your will? IF YES: Has he done this once or twice, several times or many times? <i>Afa molekane wa gago o kile a tjea ishelete ya gago kanile ga tumelelo ya gago? Ge ele gore go bjalo, O dirile seo makga a makae?</i>	1 = Never / <i>aowa</i> 2 = Once or twice / <i>gatee goba gabedi</i> 3 = Many times / all of the time / <i>gansthi/ka mehla</i> 99 = Does not have savings/earnings / <i>ake amogele selo</i>		
FF1012	He pushed you or shoved you? <i>O kile a go kgarametsa ka matla</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 99 = No Response / <i>A gona karabo</i>		
FF1013	He hit you with his fist or with something else that could hurt you? <i>O kile ago betha ka matsogo goba ka se sengwe seo se ka go kweshago bohloko.</i>			
FF1014	He physically forced you to have sexual intercourse when you did not want to? <i>O go gapeleitse thobalano o sa rate.</i>			
FF1015	You had sexual intercourse when you didn't want to, because you were afraid of what he might do if you said no? <i>O robalane le yena o sa rate, ele ge o shaba seo a ka go dirago sona ge o ka gana</i>			

*Rural AIDS and Development Action Research Programme  
Sekhukhuneland IMAGE Study*

**FF9700 : Response to Experience of Abuse**

**ONLY COMPLETE** these questions if the answer to FF1012B or FF1013B was YES. / *BOTJISHA dipotjisho tse ge fela karaba Go FF1012B goba FF1013B ebe ele Ee.*

You might have taken a number of actions in response to the things you have just told me about, and I want to ask you now about what you did.

*Oka noba o nale magato/matspa ao o a tjerego kgahlanong le tjeo o bego o mpotja tjona, ke tla rata go tseba ka tjeo o di dirilego...*

Question Number		Codes		
FF1101	In the past 12 months who have you told about the physical violence? <i>Mo dikgweding tje 12 o boditse mang ka tlhosishego eo?</i> <b>DO NOT READ OUT LIST</b> [O SE BALE LENANEGO] <b>MARK ALL MENTIONED</b> [SWAYA KA MOKA TSEO DI BOLETSEGO] PROBE: Anyone else?	1=No One / <i>A gona le o tee</i> 2=Friends / <i>Bagwera</i> 3=Parents / <i>Batswadi</i> 4=Brother Or Sister / <i>Buti/Sesi.</i> 5=Uncle Or Aunt / <i>Malome/Rakgadi.</i> 6=Husband / Partner's Family / <i>Ba gabo molekane wagago.</i> 7=Children / <i>Bana</i>	8=Neighbours / <i>Ba-agishane.</i> 9=Police / <i>Maphodisa</i> 10=Doctor / Health Worker / <i>Ngaka / Moshome di wa tsa maphelo</i> 11=Priest / <i>Moruti</i> 12= Social worker or Counsellor / <i>Modireka leago</i> 13=Local Leader / <i>Moetapele motseng</i> 14=Other / <i>Ba bangwe</i>	
FF1102	In the last 12 months have you ever left your own home, even if only for one night, because of what he might do to you? <i>Mo di kgweding tse 12 o kile wa tlogela lapa la gago, le ge e be e le bosego bjo bo tee, ka lebaka la seo a ka go dirago soma?</i>  <b>IF YES, How many times in the past year?</b> <i>Ge ele gore go bjalo, ke makga a makae mo ngwageng wa go feta</i>		Give Number of times <i>Eja palo ya makga.</i>  00 = Never left / <i>A se nke</i>	
FF1103	<b>IF YES</b> Where did you go <u>the last time</u> ? <i>Ge ele gore go bjalo, O ile kae la mafelalo?</i> <b>MARK ONE</b> [SWAYA E TEE FELA]	1=Her Relatives / <i>Meloko ya geno</i> 2=His Relatives / <i>Meloko ya molekane wa gago</i> 3=Her Friends / Neighbours / <i>Bagwera/Baagishane</i> 4=Hotel / Lodgings / <i>Hoteleng/Mafelong a go hirishwa</i> 5=Church / Temple / <i>Kereke</i> 6=Shelter / <i>Moo oka humanago botshabelo gona.</i> 7=Other / <i>Tse dingwe</i>		
FF1104	How long did you stay away <u>the last time</u> ? <i>O tsera lebaka le le kae o sepetse/tlogile la mafelalo</i> <b>RECORD NUMBER OF DAYS OR MONTHS</b>	Number Of Days (If Less Than One Month) / <i>Eja palo ya matjati (ge ese kgwedi)</i> Number Of Months (If One Month Or More) / <i>Eja palo ya dikgwedi ( ge ekaba kgwedi goba go feta)</i>  99 = Left Partner/Did Not Return / Became separated or divorced	___ Days ___ Mos. ___ Code	
FF1105	<b>IF Returned</b> , Why did you return? <i>Ge ele gore o boeletse, Ke ka lebaka la eng o boeletse?</i>  <b>MARK ALL MENTIONED</b>  [SWAYA KA MOKA TSEO DI BOLETSEGO]	1=Didn't Want To Leave Children / <i>O sa nyake go tlogela bana</i> 2=Sanctity Of Marriage / <i>Bokgethwa bja lenyalo</i> 3=For Sake Of Family / Children / <i>Bakeng sa bana / Lelapa</i> 4=Couldn't Support Children / <i>O shirwa kego fepa bana</i> 5=Loved Him / <i>Obe omo rata</i> 6=He Asked Her To Go Back / <i>O kgopetje gore o boele go yena</i>	7=Family Said To Return / <i>Ba lelapa barile o boelele</i> 8=Forgave Him / <i>O mo lebaletse</i> 9=Thought He Would Change / <i>O gopotse gore o tla fetoga</i> 10=Threatened Her / Children / <i>O tshosheditse wena/bana</i> 11=Could Not Stay There (Where She Went) / <i>O kase kgone go dula moo.</i> 12=Other / <i>Tse dingwe.</i>	

*Interviewer : Now go back and complete the front page of this interview*

ANNEXURE IV:

HOUSEHOLD DETAILS: MICROFINANCE ALONE SURVEY INTERVIEW

**Rural AIDS and Development Action Research Programme  
Sekhukhuneland IMAGE Study**

**HOUSEHOLD DETAILS: Microfinance Alone Survey INTERVIEW**

<b>INTERVIEW IDENTIFICATION</b>	Village No. <i>Nomoro ya motse</i>	Centre Name <i>Leina la sentara</i>	Individual No.	SEF Client No. <i>Nomoro ya motho</i>
---------------------------------	---------------------------------------	--	----------------	--

**PART 1: INTERVIEW SET UP**

<b>Household Situation:</b> ____	5	One or more members of the household have been residing in the same dwelling for the past two years and the head of the household is still the same
	6	One or more members of the household have been residing in the same dwelling for the past two years, but the head of the household has changed
	7	The household has moved dwelling in the past two years

Visit 1 : \_\_\_\_ / \_\_\_\_ / \_\_\_\_      \_\_\_\_ Code      \_\_\_\_ Initials

Visit 2 : \_\_\_\_ / \_\_\_\_ / \_\_\_\_      \_\_\_\_ Code      \_\_\_\_ Initials

Visit 3 : \_\_\_\_ / \_\_\_\_ / \_\_\_\_      \_\_\_\_ Code      \_\_\_\_ Initials

Codes

1	Interview completed	2	No competent respondent at home
3	Entire Household absent for extended period	4	Postponed - Arranged time for interview
5	Refused	6	Dwelling vacant / not a dwelling
7	Dwelling destroyed	8	Not found
9	Other (_____)		

**PART 2: INTERVIEW INTRODUCTION**

Hello, my name is \_\_\_\_\_, I am from the Rural AIDS and Development Action Research Programme. We are based in Praktiseer Township and our head office is in Acornhoek at Tintswalo Hospital. I would like to explain to you a little about the work we are doing, and then if you agree I'd like to ask you and your family some questions / *Thobela, leina la ka ke \_\_\_\_\_, Re soma le mokgahlo wo o bitswago RADAR. Ofisi ya rena e Praktiseer nomorong ya 616 gomme ofisi e kgolo e Acornhoek sepetleleng ba Tintswalo ke tla rata go hlalosa ga myane ka mosomo wa rena, gomme ge o dumela ke tla rata go le botsisa dipatsiso le ba lapa la gago.*

- Describe RADAR / *Hlalosa RADAR*
- Explain why we are working in this area / *Hlalosa labaka lago shomela nageng yeo*
- Wish to interview all people that we interviewed in the household previously confidentially
- Tell the interviewee how long the interviews will take. Each c.30mins. / *Ba botse gore poledisano kea lebaka le le kae.*
- Describe the goals of the IMAGE study / *Hlalosa dinthla kgolo tsa IMAGE Study*
- Ask if there are any questions – and answer questions / *Botsisha gore go nale dipotsiso, araba dipotsiso.*
- **Hand over an IMAGE Study Information Sheet**

**Read the Informed Consent Statement and answers any questions. If the interviewer gives unambiguous and clear consent to be involved, then sign below.**

**I confirm that The Consent Statement has been read to the interviewee and that he/she understands and consents to participate in the interview**

Signed : \_\_\_\_\_ Date : \_\_\_\_\_

***Rural AIDS and Development Action Research Programme  
Sekhukhuneland IMAGE Study***

**PART 3 : INTERVIEW DETAILS**

Date of Interview : \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Time Start Interview : \_\_\_\_ : \_\_\_\_ Time finish Interview : \_\_\_\_ : \_\_\_\_

Interview conducted in Language : \_\_\_\_ (1=Sepedi, 2 = Other)

**PART 4 : INTERVIEW CLOSURE (COMPLETE AT END OF INTERVIEW)**

Thank you very much for participating in this study. The information that we have covered is sensitive, personal and confidential. I want to assure you that this information will be treated with respect and it will not be possible for anyone to be able to trace the information back to you individually. / *Ke lebogo ka kudu geo tsene karolo mo mosomong wa rena. Ditaba tseo re boletsego ka tsona di sensitive, ke tsa bophelo bjagago netlo diswara k a thompho e kgolo ga gona motho yo a tlo tsebe go re boletse ka eng. Ke nyaka go go tshepisa gore dithaba tseo ka moka ditla hlophiwe e gore go ka sa kgonege gore motho a bawe a go botse tsona gape.*

1. Take interviewee through answers to the questions on HIV knowledge / *Hlahloba dikarabo tsa dipotsiso mabapi le tsebo ya HIV le mmotsoloswa.*

2. Ask if they need condoms – distribute if necessary / *Botsisa ge ele gore ba nyaka dicondom – efa ge ele gore go bohlokwa.*

3. Describe and refer to Voluntary Counselling and Testing at local clinic / *Hlalosa gape o ba romele go diteko tsa bopithaopo (Voluntary Counselling and Testing) cliniking ya kgauswi.*

**Rural AIDS and Development Action Research Programme**  
**Sekhukhuneland IMAGE Study**

**HH100 : Household Members**

Starting with the **HOUSEHOLD HEAD**, list all the **people** who are members of this household, including ;

- All household members who are currently usually sleeping here,
- other household members who are permanently resident here but are not currently staying at the house,
- domestic staff who sleep here > 5 nights per week
- anyone else staying here currently, and who has been here for > 4 weeks

**Family Name**

*Go thoma ka hlogo ga lelapa, re fe maloko ka moka a lelapa, go akaretswa*

- Kamoka bao ba robalago mo ga bjale.
- Bao ba dulago mo motseng efela ba sa dulego ka lelapeng gabjale.
- Bashomi ba ka lapeng bao ba robalago mo , mashego ago feta 5 ka beke.
- E mongwe yo adulgo mo ga bjale, gape o bile mo dibeke tsago feta tse 4.

ID	Name	Sleeps here Robala mo (A)	Relation to HH head Tswalano le hlogo ya lapa (B)	Sex Botona (C)	Year of Birth Ngwaga wa matswalo	Marital Status Maemo go tsa manyalo (D)	If H100E is 'Yes' Pattern of schooling (E1)	In school Tsena sekolo (E)	Max level of schooling Maemo a go tsena sekolo (F)	Income from work Ditseno gotswa moshomong (G)	Income(s) from non-work Ditseno esgo tsa moshomo (H)	Position in village Maemo ka motseng (I)
1			<b>T</b>									
2												
3												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												

A (1) Usually sleeping at the house in last month / Atisha go robala ka ntlong (kgwedding ya go feta), (2) Usually sleeping away from the house in last month / Atisha go robala katile (kgwedding ya go feta)  
 B (T) Household head (Tatana) / Hlogo ya lelapa, (M) Mother / Mme, (F) Father / Nati, (B) Brother / Buti, (Z) Sister / Sesi, (S) Son / Morwa, (D) Daughter / Morwedi, (H) Husband / Molekane wa monna, (W1) Wife no. 1 / Molekane wa mosadi wa mathomo, (W2) Wife no.2 etc..., (U) Unrelated / Motho fela, (R) Related indirectly by marriage / Leloko ka lenyalo, (P) Paying Tenant / O hirishitse, (Q) Query, (X) Unknown / a go tsebege  
 C (M) Male / Monna, (F) Female / Mosadi  
 D (1) Never married / Gase nke wa nyalwa/nyala, (2) Married or living as married / O nyetswe/nyetse goba o phela e kare o nyetswe/nyetse, (3) Divorced or Separated / Hladile/Hladilwe/ kgaogantswe, (4) Widowed / Mohlolo/Mohlologadi  
 E (1) Currently attending school / Tsena sekolo, (2) Not currently at school / A ke tsene sekolo ga bjale  
 E1 (1) Has attended school without interruption during the last year / o tsene sekolo ntle le go kgaotsa mo ngwageng wa go feta, (2) Has attended school with minor interruptions / o tsene sekolo ka go kgaotsa ka mathata a manyane, (3) Has attended school with major interruptions / o tsene sekolo ka go kgaotsa ka mathata a magolo (9) Not applicable / Ga go na selo, (99) Not applicable / no response

G cont.... (7) Unemployed, looking for a job, often does casual, seasonal or contract work / Ga o shome, o nyakana le moshomo, o fela oshoma meshomo ya lebakanyana, (8) Unemployed, looking for a job, occasionally gets any casual, seasonal or contract work / Ga o shome, o nyaka Moshoma, odira moshomo o mongwe le o monwe wa lebakanyana, le wa nako ya tumelelano (9) Unemployed, looking for a job, rarely or never had any work during the last year / Ga o shome, Onyakana le moshomo ga senke wa shoma mo ngageng wago feta, (10) Unwilling to work, retired or too young to be working / Ga ona maikemisetso ago shoma, o tlogetse moshomo goba o sale yo manyane gore oka shoma, (11) Unable to work (handicap) / Gao kgone go shoma (sehole).  
 H - ASK ABOUT EACH ONE IN TURN - (1) State pension / Motente, (2) Child grant or other government benefit / Tshelete ya bana goba thusho gotswa mmushong, (3) Private / work pension / phetshene ya moshomong, (4) Financial gifts from non household member / Dimpho tsa ditshetele gotswa go bao esego ba lelapa, (5) Non financial gifts from non household member / Dimpho tseo sego tsa ditshetele gotswa go bao esego ba lelapa, (6) Receiving dividends from investments / Amogela dikarolo go tswa ho dipeleleto tsa tshetele, (7) Receiving money from a business / Amogela tshetele gotswa kgwebong (8) Other source of financial income / Tse dingwe tsa methopo ya ditsetso tsa ditshetele(efa ka moka). List all. If none / A go selo, mark (99)

I - ASK ABOUT EACH ONE IN TURN - (1) "Induna or member of induna's counsel" / Nduna goba leloko la komiti ya moshate, (2) "Member of chiefs family" / Leloko la ka moshate, (3) "Member of local government or council structure" / leloko la mmusho wa selegae goba komiti engwe ya mmusho, (4) "Traditional healer" / Ngaka ya setso, (5) "Minister / pastor" / Moruti, (6) "Shebeen owner" / Mong wa lefelo lago rekisa bjale, (7) "Educated professional" / Seruteji, (8) "Creche owner" / Mong wa sekolo sa bana, (9) "Senior member of a local organisation or society" / Leloko le legolo la mokgahlo motseng. If none / a go selo, mark (99)

F (1) No formal schooling, illiterate / A se o tsene sekolo, (2) No formal schooling, literate / A se o tsene sekolo, efela okgana go ngwala, (3) Some primary / sekolosa fase fela, (4) Completed primary (standard 5) / sekolo sa fase(mphalo wa 5), (5) Some secondary / secondary fele, (6) Completed secondary (standard 10 / matriculation) / feditse secondary (mhato wa lesome), (7) Attended / Tsene technical / vocational / training college, (8) Attended University / Tsene University  
 G (1) Self employed in agriculture / Moipereki go tsa temo, (2) Self employed in non-farm enterprise – registered business / Moipereki kgwebong e ngwadishitwego eseng ea temo, (3) Self employed in non-farm enterprise – unregistered business(es) / Moipereki kgwebong esa ngwadishwago eseng ea temo, (4) Student / Moithuti, (5) Salaried worker / Moshomo wago lefelwa, (6) Domestic worker / Moshomi wa ka gae ...

**Rural AIDS and Development Action Research Programme**  
**Sekhukhuneland IMAGE Study**

**HH105/6: Orphans and fostering**

Children are particularly vulnerable if their parents die or go missing. We want to learn something about how often this happens, and what happens to these children when this situation arises / *Bana ba ba kotsing ge batswadi ba bona ba hlokaletse goba ge ba timeletse. Re rata go kwesisa gore seo se direga ga kae le gore go direga eng ka bana ba ge seemo se seka tswela.*

Question Number		Codes					
HH105	Are there any children (those under 18 years) living in your household for whom one or both of their parents have died or are untraceable?/ <i>E kaba go nale bana (ba ka tlase ga mengwaga e 18) bao ba dulago ka mo bao motswadi goba batswadi ba bona ba hlokaletse goba ba timeletsego?</i> <b>If NONE, write 98 in the top left box</b>	Give individual numbers					
HH106	Of the children listed above, were these children members of your household anyway, or were they taken in by your household mainly because of what happened to their parents?/ <i>Go bana bao ba lego ka mo godimo, e kaba ke maloko a lelapa le goba, le ba tsere ka lebaka la seo se diragetsego batswadi ba bona?</i>	Give code, below child number 1 = Household member 2 = Taken in 99 = No response					

**HH200 : Important Incomes**

I previously asked you about whether the people in your household are working, receiving pensions or grants or bringing money into the household in other ways. Think about **all of the last year**. Over the course of the whole of last year what were the **two most important** sources of income for your household. This means which two sources of income could your house not have survived without. These incomes may be regular incomes, or one off incomes. They could be things that are coming in now, or other incomes that people had during the year, e.g. from seasonal work.

*Mo nakong e fetileng ke go botsisitse gore ekaba batho ba ka mo gae ba a shoma, ba amogela tshetele ya motente, goba go tlisha tshetele ka lapeng ka mekgwa e mengwe. Nagana ka ngwaga wa go feta.. Mo ngwaga wa go feta ke methopo efe e mebedi ya ditseno e bohlokwa ka mo lapeng. Seo se era gore ntle le ditseno tse lelapa lebe le ka se phologe. Ditseno tse ekaba tsa ka mehla, goba tsa nakwana. E kaba dilo tseo di tlogo gona bjale, goba ditseno tseo batho ba di amogelago mo gare ga ngwaga.*

No income Mark (98)	Describe / Hlalosa	Financial / Ditshelete (1) Non-Financial / E sego ditshelete (2)	Person(s) in HH receiving Batho 100 = Whole Household / lelapa ka moka	Is the person who earns this income a household member 1=Yes 2=No
1				
2				

**Rural AIDS and Development Action Research Programme  
Sekhukhuneland IMAGE Study**

**Coding incomes (code the information given above)**

	Income type	Work type	Sector	Job	Location	Pension type	Microenterprise type	Donation source
1								
2								
	(1) Work related (2) Pension related (3) Donations, begging or loans from outside the household (4) Other, including crops	(1) Regular paid employment (2) Self employment in informal sector (3) Domestic work (4) Agricultural self employment (5) Piece jobs (6) Registered business (96) Other	(1) Mining (2) Government (3) Business (4) Manufacturing (5) Agriculture (6) Transport Industry (7) Security (8) Private (9) Taxis (10) Building Related Industry (96) Other	(1) Mine worker (2) Driver (3) Cleaner / Cook / Domestic worker / Labourer / washing cars (4) Teacher (5) Cashier / Shop assistant / Receptionist / Secretary (6) Farm worker (7) Security guard / ranger (8) Machine Operator (9) Manager (96) Other	(1) Burgersfort (2) Other areas around Burgersfort/ Non IMAGE local village (3) IMAGE villages (4) Gauteng (5) Other Mpumalanga (6) Steelpoort (7) Other Limpopo (8) Lydenburg (9) Rustenburg (10) MFAlone villages (11) Polokwane (12) Ohrigstad (13) Luis Trichardt (14) Musina (96) Other	(1) State pension (2) Private / company pension (3) Child Grant (4) Disability Grant (5) Retrenchment package (96) Other	(1) Selling vegetables / other unprepared foods ("hawking") (2) Selling - hot food (wood, chickens, water) (3) Making / Selling clothes or shoes / sewing projects (4) Own / run a shebeen (5) Traditional healer or prophet (6) Electrician/repairs electrical goods/welding (7) Building related Taxi Owner/Driver (8) Own / run a shop / Spaza / tuckshop /Bottle store (9) Transporting goods for people (10) Making / Selling beer (11) Looking after cattle (96) Other	(1) Parent (2) Sister (3) Brother (4) Other relative (5) Many relatives (6) Boyfriend or girlfriend (7) Other non related
		Complete if Income Type = Work Otherwise, mark (98)	Complete if Work type = Regular paid employment Otherwise, mark (98)	Complete if Work type = Regular paid employment Otherwise, mark (98)	Complete if Work type = Regular paid employment Otherwise, mark (98)	Complete if Income Type = Pension related Otherwise, mark (98)	Complete if work type = Self employment or registered business Otherwise, mark (98)	Complete if Income type = Donation Otherwise, mark (98)

**HH700 : Perception of own wealth, outlook for the future and recent crises**

I am now going to ask you about your own perceptions of how your household is doing ...

Sa mafelelo mo pukwaneng ya dipotsisho, ke rata go go botsisha gore o bona okare lelapa Lagago le bjang go ya ka wena.

Question Number		Codes	
HH701	How would you describe the wealth of your household within this village? <i>Oka hlalosa bjang bohumi / bohloki bja lelapa la gago mo motseng ?</i>	1= About the same as most people / <i>O swana le bontshi bja batho</i> 2= A bit better off than most people / <i>O kaone go bontshi bja batho</i> 3= A bit worse off than most people / <i>O fase kudu go feta bontshi bja batho</i> 99 = No response / <i>ga gona karabo</i>	
HH702	Think about the last year in comparison with other years. Would you say that things have been ..... <i>Gopodishisha ka ngwaga wa go feta gomme o bapetse le mengwaga e mengwe. O kare dilo di be di...</i>	1= Going well / <i>Sepela gabotse</i> 2= Going about normally / <i>Sepela gabotsana</i> 3= Going badly / <i>A di sepele gabotse</i> 99 = No response / <i>ga gona karabo</i>	
HH703	During the last 6 months has anything happened to your household which has a serious negative effect on how the household operates? 1=Yes, 2=No <i>Dikgweding tse 6 tse fetileng go kile gwa direga se sengwe ka lapeng, seo se dirilego gore dilo dise sepele ka tshwanelo?</i>	1 = Death or serious illness of an adult household member / <i>Lehu goba go lwala ga e mongwe e mogolo ka mo lapeng</i> 2 = Death or serious illness of a child household member / <i>Lehu goba go lwala ga ngwana kamo lapeng</i> 3 = Unexpected loss / cessation of a reliable source of income to the household / <i>Tahlegelo yeo esa letelwago / Go fedishwa ga diiteno tse tshopilweng tsa lelapa</i> 4 = Serious problems occurred as the result of a natural disaster / <i>Mathata a magolo ao a hlotswego ke thlago</i> 5 = Unexpected large payment had to be made / <i>Tefelo e kgolo eo esa letelwago</i> 8 = Other / <i>Tse dingwe</i> 98 = No event / <i>Ga go selo</i>	
HH704	If YES, give brief details <i>Ge ele gore go bjalo, hlalosa ka boripana</i>		

**Rural AIDS and Development Action Research Programme**  
**Sekhukhuneland IMAGE Study**

**HH300 : Dwelling improvement details**

The next questions I will ask you will be about the main dwelling you and your household currently live in ....  
Dipotsisho tse latelago di mabapi le mo wena le ba lelapa la gago le dulago gona.

Question Number		Codes	
HH391	Estimate the amount of money that has been spent in renovating or improving your household during the last year. <i>Akanya tshelete yeo o ka bago e somisitswe go kaonafatsa ntle ya gago mo ngwageng wa go feta.</i>	Give value in rands	R
HH303	Does your household have land on which it grows its own produce? <i>Afa lelapa le , le nale tshemo e ba jalang dijalo ho yona?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i>	
HH305	What are the walls of the main dwelling primarily made of?  <i>Maboto a mo le dulago gona a agilwe ka eng (karabo e tee fela)</i>  [One answer only]	1 = Mud and sticks / <i>Mobu le diphatana</i> 2 = Mud bricks without cement / <i>Ditena tsa mobu tsa go se thibetswe ka samente</i> 3 = Mud bricks cement covered / <i>Ditena tsa mobu tsa thibetswa ka samente</i> 4 = Block bricks without cement / <i>Ditena tsa block tsa go se thibetswe ka samente</i> 5 = Block bricks cement covered / <i>Ditena tsa block tsa go thibetswa ka samente</i> 6 = Face bricks / <i>Ditena tse nyenyane</i> 7 = Other / <i>Tse dingwe</i>	
HH305a	What were the walls of the main dwelling primarily made of when you first joined SEF?  <i>Maboto a mo be le dulago gona a agilwe ka eng pe le le ba lelako la SEF? (karabo e tee fela)</i>  [One answer only]	1 = Mud and sticks / <i>Mobu le diphatana</i> 2 = Mud bricks without cement / <i>Ditena tsa mobu tsa go se thibetswe ka samente</i> 3 = Mud bricks cement covered / <i>Ditena tsa mobu tsa thibetswa ka samente</i> 4 = Block bricks without cement / <i>Ditena tsa block tsa go se thibetswe ka samente</i> 5 = Block bricks cement covered / <i>Ditena tsa block tsa go thibetswa ka samente</i> 6 = Face bricks / <i>Ditena tse nyenyane</i> 7 = Other / <i>Tse dingwe</i>	
HH306	How does the household get its water?  <i>Le hwetsa meetse bjang?</i>	1 = Tap in plot / <i>Pompi ya ka gae.</i> 2 = Tap in the village / <i>Pompi ya motseng</i> 3 = Borehole 4 = Collect rainwater / <i>Leageletsa meetse a pula.</i> 5 = River or stream / <i>Nokeng</i> 6 = Buy water / 7 = Other /	
HH307	What sort of toilet does the household have? <i>Le shomisha ntlawana ya boithomela ya mohuta mang?</i>	1 = Modern with flush / <i>Ya meets</i> 2 = Pit latrine / <i>Ya molete</i> 3 = No facility / <i>Ga e gona</i>	
HH308	Is the household supplied by electricity? <i>Le nale Mohlagase ka mo gae?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i>	

**HH400 : Household Assets**

Do people living in the household own any of the following items.  
*A fa batho bao ba dulago ka mo lapeng ba nale tse dingwe tsa dilo tse di latelago.*

		Number owned (Small <i>ennyane</i> / <2yrs old) <i>Palo</i>	Number owned (Medium <i>magareng</i> / 2-6yrs old) <i>Palo</i>	Number owned (Large <i>e kgolol</i> >=6 years old) <i>Palo</i>
HH401	Any land / <i>Naga</i>			
HH402	Cars or motorcycles / <i>Koloi goba sethuthuthu</i>			
HH403	Televisions / <i>Television</i>			
HH404	Hi-Fis / <i>Seyalemoya</i>			
HH405	Fridges / <i>Setsidifatsi</i>			
HH406	Bicycles / <i>Bicycles</i>			
HH407	Cell phones / <i>Sella thekeng</i>			

		Number owned <i>Palo</i>
HH408	Cows / <i>Dikgomo</i>	
HH409	Goats / <i>Dipudi</i>	

**Rural AIDS and Development Action Research Programme  
Sekhukhuneland IMAGE Study**

HH410	Chickens /Dikgogo	
-------	-------------------	--

**FF400 : Household Dynamics**

Now I'd like to ask you some questions about yourself and your household...

*Ke tla rata go go botjisha dipotjisho mabapi le wena le ba lelapa la gago*

Question Number		Codes	(A) Your live in partner <i>Molekane wa gago</i>	(C) Yourself <i>Wena</i>
FF403	Think about the <b>money</b> that you bring into the household. How is your contribution viewed by: <i>Gopodishisa ka tshelete yeo oe tlisahago ka mo gae, tshelete ya gago e bonwa bjang ke:</i>	1 = Yours is the most important contribution to the household / <i>Tshelete ya gago e bohlokwa</i> 2 = You make <i>some</i> contribution to the household / <i>O nale seabe go tse dingwe ka lelapeng</i>		
FF404	Think about all the unpaid work you do to support the household, such as all the household chores you do (cooking, cleaning, fetching water). How is your contribution viewed by: <i>Gopodishisa ka meshomo yeo oe dirago go thekga lelapa bjale ka meshongwana ya ka gae eo oe dirago ntle le go lefelwa(go apea, go hlwekisha), moshomo wa gago o bonwa bjang ke:</i>	3 = Your work does not seem very important at all / <i>Tshelet yagago gae bontshe ele bohlokwa</i> 97 = Don't know/ <i>A ke tsebe</i> 98 = Not applicable because you don't earn an income / <i>A gona selo</i>		

**FF900 : Decision Making in the Home**

For the following activities, do you need to obtain anyone's permission, or can you decide to do them yourself? Code the one that applies **most often**

*Go tje dilatelago o hloka tumelelo gotswa go yo mongwe, goba o kano tsea sephetho ka bowena g odira seo (swaya seo diregago kgafetsa kgafetsa).*

Qu.No	To do	Codes	A Live-in Partner <i>Molekane</i>	D Other HH member <i>Yo mongwe wa leloko ka lapeng</i>	E I don't have to obtain anyone's permission <i>Ga ke hloke tumelelo</i>
FF901	Make small purchases for yourself (e.g. some clothes) <i>Go ithekela dilwana tse nnyane ( bjale ka diaparo).</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 98 = Not applicable / <i>Ga e gona</i> 99 = No response / <i>A gona karabo</i>			
FF902	Make larger purchases for yourself (e.g. a cell phone) <i>Go ithekela dilo tse kgolo (go swana le cellphone).</i>				
FF903	Make small purchases for the household (eg. a chicken) <i>Go reka dilo tse nnyane tsa ka gae (go swana le seshebo).</i>				
FF904	Make medium sized purchases for the home (child clothing) <i>Go reka dilo tse nnyane tsa ka gae (diaparo tsa bana).</i>				
FF905	Make large purchases for the home (furniture, fridge) <i>Go reka dilo tse kgolo tsa lelapa (go swana le diphahlo, setsidifatsi.)</i>				
FF906	Take your children to the clinic or hospital <i>Go isha bana Cliniking/Sepetele.</i>				
FF907	Visit your birth family <i>Go etela ba geno (bao o tswetswego le bona)</i>				
FF908	Visit your friends in the village <i>Go etela bagwera ba gago mo motseng.</i>				
FF909	Visit friends or relatives outside of the village <i>Go etela meloko le bagwera ba gago ka ntle ga motse.</i>				

***Rural AIDS and Development Action Research Programme  
Sekhukhuneland IMAGE Study***

FF910	Join a credit group or other organisation involved with money <i>Go ba leloko la sehlopha sa kadimishano ya ditshetele goba mokgahlo woo o amanago le tsa ditshetele</i>				
-------	---	--	--	--	--

**Rural AIDS and Development Action Research Programme  
Sekhukhuneland IMAGE Study**

**HH500 : Credit and Savings**

These questions will be about some issues related to your household's savings and borrowings ...

Dipotsiso tse dilatelang di mabapi le dikadimo le dipolokelo tsa lelapa .

Question Number		Codes	
HH501	Does the household head or household head's partner have a bank account ? <i>Afa hlogo ya lelapa goba molekane wa gagwe onale bank account (bobolokela bja tshelete pankeng)?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 97 = Don't know / <i>ga ke tsebe</i> 99 = No response / <i>A gona karobo</i>	
HH502	Does the household head / partner currently owe anyone money ? <i>A hlogo ya lelapa goba molekane wa gagwe o kolota motho yo mongwe tshelete?</i>	1 = No / <i>Aowa</i> 2 = Household head / <i>Hlogo ya lelapa</i> 3 = Partner of Household head / <i>Molekane wa gagwe</i> 4 = Both / <i>Bobedi bja bona.</i>	
HH503	<b>IF YES,</b> To whom do you currently owe money? <i>Ge ele gore go bjale,</i> <i>Ke bomang bao ba kolotwago ?</i>  [List as many as necessary]  1=Mentioned 2=Not mentioned	1 = Friend / <i>Mokgotsi</i>	
		2 = Bank / <i>Panka</i>	
		3 = Relative / <i>E mongwe wa leloko</i>	
		4 = NGO or Credit Organisation / <i>NGO goba Mokgahlo wa go adimisha ditselete</i>	
		5 = Shop or store / <i>Lebenkele</i>	
		6 = Money Lender / <i>Machonisa</i>	
		7 = Other / <i>tse dingwe</i>	
HH504	Imagine the response of the Household Head if he / she desperately needed to get R50 to pay an official body back by the end of the month for the household. Would this be .... <i>Akanya phetolo ya hlogo ya lelapa ge a nyakega ho fumana R50 go lefela lelapa lagagwe ho lekala la semmusho mafelelong a kgwedi, A se e kaba...</i>	1= No problem / <i>E ka sebe bothatha</i> 2 = Possible, but inconvenient / <i>Go ka kgonega, efela ntle le tetelo</i> 3 = Possible with real difficulty / <i>Goka kgonega ka boima</i> 4 = Impossible / <i>Go kase kgonege</i>	

**HH600 : Food Security**

The next two questions focus on this past month, asking about how your household has eaten.

Dipotsiso tse pedi tseo dilatelago di mabapi le gore lelapa le jele ese kgale.

Question Number		Codes	
HH601	During the last month, how often have most of the family had a meal that consisted of pap alone, bread alone or worse? <i>Mo kgwedding ya go feta, ke ga kae mo Lelapa le jelego dijo gomme ele bogobe fela, borotho fela goba ka tlase ga moo?</i>	1 = Never / <i>Aowa</i> 2 = Once only / <i>gatee feela</i> 3 = A few times / <i>Nako e nyenyane</i> 4 = Often / <i>Kgafetsakgafetsa</i> 99=No response / <i>ga gona karabo</i>	
HH602	While living in your house and during the past month have you or any of your own children gone without food or had a reduced amount to eat for a single day because of a shortage of food? <i>Go duleng galena ka ntlong ye le mo kgwedding ya go feta ekaba, wena goba e mongwe wa bana ba gago o ile a hlwa ntle le dijo goba gona go fokotsa seroto sa dijo tsa go jewa ka letsa tsi le tee ka leba ka la thaelelo ya dijo?</i>	1 = Never / <i>Aowa</i> 2 = Once only / <i>gatee feela</i> 3 = A few times / <i>Nako e nyenyane</i> 4 = Often / <i>Kgafetsakgafetsa</i> 99=No response / <i>ga gona karabo</i>	

**Rural AIDS and Development Action Research Programme**  
**Sekhukhuneland IMAGE Study**

**FF600 : Shortages.**

Now let's look a bit further back in time: in the past year, have you or your children ever gone without any of the following things you 'really needed' because of a shortage of resources (money):

*Mo ngwageng wago feta, wena goba bana ba gago le kile la hloka tje dingwe tja the di latelago, ka lebaka la tlhalelo ya didirishwa / tshelete.*

Question Number		Codes	
FF601	Food <i>Dijo</i>	1 = Never / <i>Aowa</i> 2 = Once only / <i>gatee feela</i> 3 = A few times / <i>Nako e nyenyane</i> 4 = Often / <i>Kgafetsakgafetsa</i> 98 = Not applicable / <i>A gona selo.</i> 99=No response / <i>ga gona karabo</i>	
FF602	New clothing <i>Diaparo tje diswa</i>		
FF603	School uniforms <i>Diaparo tja sekolo</i>		
FF604	School fees <i>Tshelete ya sekolo</i>		
FF605	Fuel (for cooking / heating)/ <i>Dikgong/Paraffin/mohlagase bjale bjale...(go apea/gore le ruther/futhumale)</i>		
FF606	Basic household items (for cleaning, cooking, sleeping) <i>Dinyakwa tje bohlokwa ka ntlong (tsa go robala,go hwekisha goba go apea)</i>		
FF607	Health care (Direct or transport to get to a clinic/hospital) <i>Tsa maphelo(clinik/sepetele kgauswi goba senamelwa sa goya Klinik/sepetele)</i>		
FF608	While living in your house during the past year has anyone from your household gone to another house to ask for food or money because of a shortage? <i>Mo ngwageng wa go feta ge lebe le dula lelapeng le, yo mongwe ka mo lelapeng o kile a kgopela dijo goba tshelete lelapeng le lengwe ka baka la tlhalelo?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 99 = No response given / <i>A gona karabo</i>	

**FF500 : Fire Scenarios**

Imagine that your house has been completely destroyed by a fire. In this question we would like to know whether you feel you could turn to certain people. *A re tjee gore ntl o ya gago e swele lorelore ka mollo, mo dipotjishong tse ke rata go tseba gore o bona o kare o kaya lokologa go ya go mang/go batho ba bangwe.*

			O ka kgopela ...			
			A	B	C	D
Question Number	What to ask ...	Codes	My family / relatives <i>Ba lelapa / meloko</i>	My neighbours <i>Baagithane</i>	People from the village I don't know well <i>Batho bao o sa ba tsebego</i>	People from the village I don't know at all <i>Batho bao oba tsebago mo matsena</i>
FF501	<i>To shelter you for two weeks while you make other long-term arrangements?</i> Gore ba go fe bodulo tekano ya dibeke tse pedi, ge osa dira ditokishetso tsa lebakanyana?	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 97 = Don't know / <i>A ke tsebe</i>				
FF502	<i>To borrow 50 Rand to help you buy some clothes after the fire?</i> Gore ba go adime R50 go go thusha go reka diaparo ka morago ga mollo					

Question Number		Codes	
FF503	<i>How confident are you that you <b>alone</b> could raise enough money to feed your family for four weeks? – this could be for example by working, selling things that you own, or by borrowing money (from people you know or from a bank or money lender)</i> O kwa o nale boitshepo bja gore wena o le nnoshi oka kgona go kgoboketsa tshelete yeo e ka lekanago go phedisha ba lelapa lagago tekano ya dibneke tse nne, e ka ba ka go rekisha dilo tseo elego tsaq gago, go shoma goba go adima tshelete go batho bao oba tsebago, goba pankeng goba go bo machonisa(baadimishi ba tshelete)?	1 = Very confident / <i>Ke itshepa kudu</i> 2 = It would be possible / moderately confident / <i>Go ka kgonega</i> 3 = Not confident at all / <i>Ga kena boitshepo go seo.</i> 97= Don't know / <i>Ga ke tsebe.</i>	
FF504	<i>Would you say that your household's ability to survive this kind of crisis is better, the same or worse as it was 2 years ago?</i> O bona bokgoni bja go ka tswelala ga lelapa la gago ditiragalong ysa mohuta wo go le kaone , go swana goba go fokoga kudu go feta mengwaga e meraro yago feta?	1 = Better / <i>Kaone.</i> 2 = Same / <i>Go a swana</i> 3 = Worse / <i>Goa fokoga</i> 97= Don't know / <i>Ga ke tsebe.</i>	

**Rural AIDS and Development Action Research Programme**  
**Sekhukhuneland IMAGE Study**

**FF300 : Community participation**

Now I'd like to ask a few questions about how much people in this community work together ...

*Ga bjale ke tla rata go go botjisha dipotjisho tse mmalwa mabapi le ka mo batho ba mo motseng ba shomishanago ka gona ....*

Qu. No.		Codes	
FF301	Suppose a friend of yours in this village/neighborhood faced the following alternatives, which one would s/he prefer most? <i>Are tjee gore mogwera wa gago mo motseng wa geno o fiwa monyetla wa go kgetha go tse dilatebago ke sefe seo aka netego gobe dira goena le tse dingwe.</i>	1 = Own a plot of land entirely by themselves / <i>A be le naga eo elego ya gagwe eo eka bago 10 hectares ale nnohi</i> 2 = Own a much larger (3 fold) plot of land jointly with one other person (not a family member) / <i>Yena le babangwe babe le naga eo elego ya bona eo e ka bago 25 Hectares gomme bae leme bale mmogo</i> 97 = Don't know/not sure / <i>A ke tsebe/a kena bonnete</i> 99 = No answer / <i>A gona karabo</i>	
FF302	If a <b>community project</b> does not directly benefit your neighbor but has benefits for others in the village/neighborhood, then do you think your neighbor would contribute <b>time</b> for this project? ( <i>if the community project is not ordered by the chief</i> ) <i>Ge project ya sechaba esa hole moagishane wa gago, efela e thusha babangwe mo motseng, o nagana gore aka neelana ka nako ya gagwe go thusha gore project e tswela pele? (ge fela project e sa laolwe ke kgoshi)</i> <i>Give example: help other community members with farming</i>	1 = YES, Will contribute time / <i>Ee, o tla neelana ka nako .</i> 2 = NO, Will not contribute time / <i>Aowa, A ka se neelane ka nako</i> 97 = Don't know/not sure / <i>A ke tsebe/a kena bonnete</i> 99 = No answer / <i>A gona karabo</i>	
FF303	If a community project does not directly benefit your neighbor but has benefits for others in the village/neighborhood, then do you think your neighbor would contribute <b>money (say about R 10)</b> for this project? ( <i>if the community project is not ordered by the chief</i> ) <i>Ge project ya sechaba esa hole moagishane wa gago, efela e thusha babangwe mo motseng, o nagana gore aka ntsha tshetele go thusha gore project e tswela pele? (ge fela project e sa laolwe ke kgoshi)</i>	1 = YES, Will contribute money / <i>Ee, o tla neelana ka tshetele.</i> 2 = NO, Will not contribute money / <i>Aowa, A ka se neelane ka tshetele</i> 97 = Don't know/not sure / <i>A ke tsebe/a kena bonnete</i> 99 = No answer / <i>A gona karabo</i>	
FF304	If there were a problem that affected the entire <b>village/neighborhood</b> , for instance lack of water or electricity or a major flood, which scenario do you think would best describe who would work together to deal with the situation? <i>Read answers. Code only one response.</i> <i>Ge go direga gore go be le bothata bjo bo amago motse ka moka, bjale ka blwetsi bja dimela goba mafula, ke mogwa ofe wo o ka hloloshago ka bokaone bao ba tlogo shoma mmogo go lokisha seemo se? [BALA DIKARABO, swaya phetolo e tee fela]</i>	1 = Each person/household would deal with the problem individually / <i>Motho o mongwe le o mongwe o tla ikemela botateng.</i> 2 = Neighbors among themselves / <i>Baagishane ba tla thushana ka bobona</i> 3 = Local government/municipal political leaders would take the lead / <i>Ba mmusho wa selegae ba tla re eta pele bothateng bjo.</i> 4 = All community leaders acting together/ <i>Baetapele ba motes kamoka ba shoma mmogo.</i> 5 = The entire village/neighborhood / <i>Motse ka moka</i> 9 = Other (describe)/ <i>Tse dingwe (Hlalosa):</i>	
FF391	Crime is a problem in many communities in South Africa. In your village, how would you rate the levels of crime? <i>Bosenyi ke bothata go dinaga tse dintshi mo SA o ka lekantsha bjang bosenyi bja mo nageng ya geno.</i>	1 = Very bad/common 2 = Not very bad/ unusual 3 = Crime is not a concern at all/rare 97 = Don't know/not sure / <i>A ke tsebe/a kena bonnete</i> 99 = No answer / <i>A gona karabo</i>	
FF392	Would you say that the levels of crime have changed in the past 2 years? <i>O kare maemo a bosenyi a ile fetoga mo megwageng e mebedi ya go feta?</i>	1 = Getting worse 2 = Stable/staying the same 3 = Getting better 97 = Don't know/not sure / <i>A ke tsebe/a kena bonnete</i> 99 = No answer / <i>A gona karabo</i>	
FF393	People often feel shy about speaking in public. If you were at a community meeting (e.g. School committee) how confident are you that you could raise your opinion in public? <i>Batho ba nale dihlong ge ba bolela pele ga setshaba. Tlare tseye gore o kopanong ya setshaba o kwa o nale tshupo yo go ntsha meikutlo o ga go pele ga setshaba?</i> Discuss then code	1 = Very confident and often do 2 = Confident but would need to be encouraged to speak out 3 = Not confident at all/ scared to speak in public, and don't 97 = Don't know/not sure / <i>A ke tsebe/a kena bonnete</i>	
FF394	Neighbours often have similar problems (e.g. around raising children). How confident do you feel about offering advice to your neighbour? <i>Gantsi baagisani banale mathata a swanago (go swana le gogodisa bana). Nne o kwa o nale tshupo yo gofa maagisani wa gago maele?</i>	1 = Very confident and often do 2 = Confident but rarely offer advice 3 = Not confident at all 97 = Don't know/not sure / <i>A ke tsebe/a kena bonnete</i>	

**FF200 : Group Membership**

Now I'd like to ask you more specifically about the groups or organizations, both formal and informal, that you belong to. As I read the following list of groups please tell me if you belong to this kind of group and how active you are in the group presently.

**Rural AIDS and Development Action Research Programme  
Sekhukhuneland IMAGE Study**

Ga bjale ke tla rata go botjisha mabapi le dihlopha goba mekgahlo mo motseng, ya sewgwera / ya semmusho eo o tseago karolo go yona goba o le go leloko la yona. Ke tla bala mehuta ya dihlopha/Mekgahlo, gomme ke kgopela gore o mpotjje ge o le leloko la sehlopha sa mohuta woo, ga pe le gore o otslea karolo ka mokgwa ofe sehlopheng seo gabjale

**Note to interviewer: Some people attend meetings now and then and would be considered ‘members’, whereas others are considered ‘active’ and attend regularly. Also, some are considered ‘leaders’ in these groups – such as the leader of a prayer group. Each group may only fall under one of the categories below. Batho ba bangwe a ya dikopanong letsatsi le lengwe gomme ba bitswa maloko (member) fela mola ba bangwe ba na le mafolofolo ba eya dikopanong ka mehla “Active”. Ba bangwe ke baetapele “leaders” bjalo ka moetapela wa sehlopha sa thapelo. Motho o swanetsego wela go e tee ya dikarolo tse.**

	Group type	NAME	STATUS 1=Leader 2=Active 3=Member 9=Not member	FREQUENCY 1 = Once a week or more 2 = Between once a week and once a month 3 = Occasional – c.4-10 times a year 4 – Occasional <4 times a year	IMPORTANCE If more than 1, rank the groups she feels are ‘most important’ to her (1,2,3)
FF208	Church <i>Kereke</i>				
FF216A1	‘Large’ Burial society 1 <i>Sehlopha se segolo sa polokane</i>				
FF216A2	‘Large’ Burial society 2 <i>Sehlopha se segolo sa polokane</i>				
FF216B1	‘Local’ Burial society 1 <i>Sehlopha se selegae sa polokane</i>				
FF216B2	‘Local’ Burial society 2 <i>Sehlopha se selegae sa polokane</i>				
FF216B3	‘Local’ Burial society 3 <i>Sehlopha se selegae sa polokane</i>				
FF205	Credit/finance group (not SEF) <i>Sehlopha sa kadimashano ya tsa ditshetele(E se go SEF)</i>				
FF206	Small Enterprise Foundation <i>Small Enterprise Foundation(SEF)</i>				
FF207	Political group <i>Sehlopha sa dipolotiki</i>				
FF218	Stokvel <i>Stokvel/ Mogodishano</i>				
FF209	Cultural association <i>Mokgahlo wa tsa setso</i>				
FF219	Prayer group <i>Sehlopha sa thapelo</i>				
FF291	Electricity committee <i>Lekgotla la molagase</i>				
FF212	School committee <i>Lekgotla la sekolo</i>				
FF213	Health committee <i>Lekgotla la tsa maphelo</i>				
FF214	Water/waste <i>Mokgatlo wa tsa meets</i>				
FF292	Ward committee				
FF293	Community policing forum				
FF221A	Other 1:				
FF221B	Other 2:				
FF221C	Other 3:				
FF221D	Other 4:				
FF221E	Other 5:				

**FF100 : Background Information**

I would now like to ask you something about yourself and your relationships: the questions that follow are sensitive in nature and I would like to assure you that the information you will give me will be treated with the utmost care:

Ga bjale ke tla rata gogo botsisa mabapi le wena le dikamano tsagago: di potsiso tseo ke tlogo botsisago tsona ke tse ditseneletsego ka tlhago ke ratago go tshephisa go re tsho di moso yeo o tlo re fago yona e tlo swarwa ka thlokomelo e kgolo.

Qu No.		Codes	
--------	--	-------	--

**Rural AIDS and Development Action Research Programme  
Sekhukhuneland IMAGE Study**

FF101	Age (Interviewer: confirm their age with the interviewee based on what she reported in the household roster HH101) <i>Bogolo.</i>	Years <i>Mengwag.</i>	
FF191	Have you been involved in relationships with one or more partners in the last 12 months? <i>O kile wa ratana le motho o tete goba ba go feta mo mo dikgweding tse 12?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 99 = No response given / <i>A gona karabo</i>	
FF105	Have you ever been married or lived as being married? <i>O kile wa nyalwa goba wadula o kare o nyetswe?</i>	1 = Never married / <i>A se nke</i> 2 = Currently married / living as married / <i>Nyetswe/dula o kare o nyetswe</i> 3 = Separated / Divorced / <i>Kgaogane/Hlalane</i> 4 = Widowed / <i>Mohlologadi.</i>	
FF116	If currently married/living as married, During the past 12 months, how many months has your partner been staying at your house? <i>Ge ele gore ga bljale o nyetswe goba o dula o kare o nyetswe, ke dikgwedi tse kae mo ngwageng wa go feta tseo molekane wa gago a di tserego a dula ka lelapeng?</i>	Give no. of months / <i>Efa palo ya dikgwedi.</i>  97 = Don't know / <i>Ga ke tsebe.</i> 98 = Not applicable (does not have partner)/ <i>Ga e gona</i>	
FF117	If less than 7 months How was the pattern of your partner's visits home in the last year ? <i>Ge di sa fete tse 7, Molekane wa gago o be a etela gae ka mokgwa ofe mo ngwageng wa go feta?</i>	1 = Mainly weekends / <i>Mafelelo a beke</i> 2 = Mainly month ends / <i>Mafelelo a kgwedi</i> 3 = Occasional extended trips / <i>Ka maeto ago amana le mediro</i> 4 = Migrated in this year / <i>O hudugile ngwageng o</i> 5 = Other / <i>Tse dingwe</i>	
FF110	How many children have you had up to now in your life ? <i>Bophelong bja gago , go fihla ga bjale o nale/bile bana ba kae?</i>	Give number / <i>Efa palo</i> 99 = No response / <i>A gona karabo.</i>	

If the interviewee does not qualify for the Young Persons Questionnaire, go on to FF9100

**YY100 : Background Information**

YY109	For how many months of the last year were you staying here? <i>Ke dikgwedi tse kae tseo o di tserego o dula mo?</i>	Give no. of months <i>Efa palo ya dikgwedi.</i>	
YY110	<b>If less than 7 months</b> How was the pattern of your visits home in the last year ? <i>O be etela gae ka mokgwa ofe ngwageng wa gofeta?</i>	1 = Mainly weekends / <i>Mafelelo a beke</i> 2 = Mainly month ends / <i>Mafelelo a kgwedi</i> 3 = Occasional extended trips / <i>Ka maeto ago amana le mediro</i> 4 = Migrated in this year / <i>O hudugile ngwageng o</i> 5 = Other / <i>Tse dingwe</i> 98 = Not applicable / <i>Ga e gona</i>	
YY108	Have you made an overnight trip to a large city during the last year? <i>O kile wa tsea leeto go ya nageng e ngwe gomme wa robala gona mo ngwageng wa go feta?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 99 = No response / <i>A gona karabo</i>	

**Rural AIDS and Development Action Research Programme**  
**Sekhukhuneland IMAGE Study**

**FF9100 : Commuication on HIV / AIDS**

Question Number	In the last 12 months Have you spoken about ...  <i>Mo dikweding tse 12 o kile wa bolela ka ...</i>	Codes	Have you spoken to ...					
			A	B	C	D	E	F
FF9101	Sex, and sexuality in general <i>Thobalano ka kakaretso</i>		Your own or your friends' Children (aged 10-25yrs)	Your own spouse or sexual partner(s)	Your parents / guardians <i>Batswadi ba</i>	Other household members <i>Maloko a lelapa</i>	Teachers <i>Barutishi</i>	Friends from outside the household <i>Bagwera go tswa</i>
If No; go to YY9105.		1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 98 = Not applicable / <i>Ga e gona</i> 99 = No response / <i>A gona karabo</i>						
FF9103	In general, how did these discussion start? <i>Ka kakaretso o kare dipoledisano tse dithomile bjang?</i>	1 = You planned it / <i>O be ya kantse</i> 2 = The other person came to me / <i>Motho o tlile go nna</i> 3 = It just happened / <i>Go filo direga</i> 97 = Don't know / <i>Ga ke tsebe</i> 98 = Not applicable / <i>Ga e gona</i>						
FF9104	In the conversations mentioned above did you generally feel comfortable discussing these issues? / <i>Mo di poledisano tsa ka godimo o be o e kwa o lokologile?</i>	1 = Very comfortable / <i>Go lokologa ka kudu</i> 2 = Comfortable / <i>Go lokologa</i> 3 = A little unsure of myself / <i>A kena bonnete bjo</i> 4 = No, I felt uncomfortable / <i>Ke ba ke salokologa</i>						
FF9105	At any point in the last 12 months have you sought advice on any issues relating to sex, sexuality HIV, condoms etc. <i>O kile wa kgopela dikeletso mabapi le ditaba tseo di amanago le thobalano, HIV, condoms, bjale bjale...</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 98 = Not applicable / <i>Ga e gona</i> 99 = No response / <i>A gona karabo</i>	-					
FF9106	In your household, do you feel 'free' /open to discuss issues of sex and sexuality? <i>Ka gae o kwa o lokologile go ka boledishana ka ditaba mabapi le thobalano?</i>		1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 97 = Don't know / <i>A ke tsebe</i>					
FF9107	In your household, has communication around sensitive issues like relationships or sex changed over the last year? <i>Ka gae, poledishano mabapi le tsa thobalano e fetogile mo mgwageng wa go feta?</i>		1 = Easier / <i>Bonolo</i> 2 = More Difficult / <i>Boima kudu</i> 3 = Stayed about the same / <i>A gona karabo</i> 97 = Don't know / <i>A ke tsebe</i>					
FF9108	How old were you when your parents / guardians first talked to you about sex <i>O be o nale mengwaga e me kae ge batswadi / bahlokomedi bagago ba boledishana le wena la mathomo ka tsa thobalano.?</i>		Give age / <i>Efa mengwaga</i> 98 = Never talked / <i>A se nke ba bolela</i> 97 = Don't know / <i>A ke tsebe</i> (or don't remember )					
FF9109	From which sources (people, places or things) have you learned most about HIV/AIDS? / <i>Ekaba ke kae mo o hweditsego tsebo (batho, lefelo, dilo) mo o hweditsego tysebo mabapi le HIV/AIDS?</i>  Do not read out options. Record all mentioned. <i>O seke wa bala di karabo. Swaya ka moka tseo di boletswego?</i>  (1) = Mentioned (2) = Not mentioned		1=Radio / <i>Se ya lemoya</i> 2=TV / <i>Telebisini</i> 3=Newspapers / magazine / <i>Kuranta</i> 4=Pamphlets / posters 5=Healthworkers / <i>Ba maphelo</i> 6=Religious groups/ <i>Sehlopa sa badumedi</i> 7=The classroom / <i>Sekolana</i> 8=Community meetings / <i>Kopano ya setshaba</i> 9=Friends / <i>Bakgotshi</i> 10=Parents / <i>Batswadi</i> 11=Brothers / sisters / <i>Di kgaestsedi</i> 12=Other relatives / <i>Ba meloko</i> 13=Work place / <i>Mosokomong</i> 14=None 15=RADAR					

**Rural AIDS and Development Action Research Programme  
Sekhukhuneland IMAGE Study**

**FF9200 : Risk perception and community action**

Qu No.		Codes	
FF712	Have you ever thought about your own potential risk of HIV / AIDS? <i>O kile wa nagana gore okaba kotsing ya go fetelwa ke HIV/AIDS?</i>	1 = Yes / Ee 2 = No / Aowa 97 = Don't Know / A ke tsebe 99 = No Response / A gona karabo	
FF705	In the last 12 months have you felt like you wanted to do anything to decrease your risk of infection with HIV? <i>Dikgweding tse 12 tsa go feta o kile wa kwa o kare oka dira se sengwe go fokotsa kgonagalo ya go fetelwa ke HIV?</i>	1 = Yes / Ee 2 = No / Aowa 99 = No response given / A gona karabo	
FF706	In the last 12 months have you <u>tried</u> to do anything to decrease your risk of infection with HIV? <i>Dikgweding tse 12 tsa go feta o kile wa leka go dira se sengwe go fokotsa kgonagalo ya go fetelwa ke HIV?</i>	1 = Yes / Ee 2 = No / Aowa 99 = No response given / A gona karabo	
FF707	<b>If YES,</b> What did you <u>try</u> to do ? <i>Ge ele gore go bjalo, O lekile eng?</i> <b>[Do not read out list]</b> <i>[O se bale tseo di ngwadilwego]</i> Mark (1) if mentioned Mark (2) if not mentioned	1 = Abstain from sex / <i>Go ila thobalano</i>	
		2 = Have less partners / <i>Go ba le palo e nyenyane ya balekane</i>	
		3 = Used a condom for the first time / <i>O shomishitse condom la mathomo</i>	
		4 = Used a condom more often / <i>O shomishitse condom ka mehla</i>	
		5 = Tried talking to partner / <i>O lekile go boledisana le molekane</i>	
		6 = Encouraged partner to be faithful / <i>O hlohlele ditse molekane gore a tshepegale</i>	
		7 = Asked partner to use condoms with other partners / <i>O kgopetse molekane go somisa condoms le balekane ba bangwe ka ntle</i>	
		9 = Be faithful to one partner / <i>Go tshephagalela molekane o tee</i>	
		8 = Other / <i>Tse dingwe _____</i>	
99 = No response / <i>A gona karabo</i>			
FF708	How successfully do you feel you were able to change your life in the ways that you wanted ? <i>O kwa o kgonne go fihla kae, ka go fetola bophelo bja gago gore bo be ka tsela eo o nyakago bo eba ka yona?</i>	1 = Very successfully / <i>Kgonne kudu</i> 2 = Quite successfully / <i>kgonne</i> 3 = Not very successfully / <i>kgonne ga nyenyane</i> 4 = Not at all / <i>Paletswe</i> 99 = No response / <i>a gona karabo</i>	
FF709	<b>If NO,</b> Why not? <b>[Do not read out list]</b> <i>Ge ele gore gago bjalo, Efa mabaka a tshitego</i>	1 = Hadn't thought about it / <i>ga se wa nagana ka yona</i> 2 = Don't feel I am at risk/ <i>gao bone gole bohlokwa</i> 3 = Find difficult to change my behaviour / <i>O hwetsa go le boima go fetola mokgwa wa go phela</i> 4 = Find it hard to change partner's behaviour 8 = Other / <i>Tse dingwe _____</i> 99 = No response	
FF713	If you were to consider your risk of HIV now now would you consider yourself at high, medium, low or no risk at all of HIV / AIDS <i>Ge o lebleletse potsisho ela ga bjale, o bona kotsi yago re o fetelwa ke HIVele godimo, magareng, fase goba ga o bone kotsi?</i>	1 = High / <i>Godimo</i> 2 = Medium / <i>Magareng</i> 3 = Low / <i>Fase</i> 4 = No risk / <i>A gona kotsi</i> 99 = No response / <i>A gona karabo</i>	
	<b>For each of the following statements mark the appropriate code</b>		
FF9201	People in my village do not believe that AIDS is here / <i>Batho a ma nageng ya ga gesso ga ba tshepe gore AIDS e gona</i>	1= I strongly agree 2=I agree 3 = I disagree 4 = I strongly disagree 97 = Don't Know / <i>A ke tsebe</i>	
FF9202	People in my village are not doing much to fight HIV/AIDS / <i>Batho ba mo nageng ya gesso ga ba some kudu go lwantsha HIV/AIDS</i>		
FF710	In the past 2 years, have you participated in a meeting, march, rally or gathering around HIV/AIDS awareness? <i>O kile wa tsea karolo mogwantong goba kopanong yogo tsebagatsa HIV/AIDS mo mengwageng e 2 ya go feta?</i>	1 = Yes / Ee 2 = No / Aowa 99 = No Response / A gona karabo	
FF711	Have you ever been involved in the organization of such a meeting or gathering? <i>O kile wa tsea karolo thulaganyong ya kopano yeo?</i>		

**FF9300 : Voluntary Counselling and Testing**

Qu No.		Codes	
FF713A	I don't want to know the result, but have you ever had an HIV test? <i>A ke nyake go tseba dipoelo, efela okile wa ya ditekong tsa HIV?</i>	1 = Yes / Ee 2 = No / Aowa 99 = No Response / A gona karabo	

**Rural AIDS and Development Action Research Programme  
Sekhukhuneland IMAGE Study**

Qu No.		Codes	
FF713D	<b>IF YES,</b> When did you have your most recent HIV test? <i>Ke neng la mafelelo mo o dirilego diteko tsa HIV ?</i>	1 = Within The Past Year / <i>Ngwageng wa go feta</i> 2 = Between 1-2 Years / <i>Magareng ga 1-2 ya mengwaga</i> 3 = Between 2-4 Years / <i>Magareng ga 2-4 ya mengwaga</i> 4 = More Than 4 Years Ago / <i>Mengwaga ye 4 ya go feta</i> 97 = Don't Know / <i>A ke tsebe</i> 99 = No Response / <i>A gona karabo</i>	

**FF9400 : Societal Norms**

In your community and elsewhere, people have different ideas about families and what is acceptable behavior for men and women in the home. I am going to read you a list of statements. Firstly, I would like you to tell me if you feel the statement agrees with what is generally accepted in your culture. Then I will ask you about your own opinion. There are no right or wrong answers.

*Mo setshabeng sa mo le ditshabeng tse dingwe, batho ba nale dikgopolo tse fapamago ka malapa le gore ke eng seo se amogelelago maitshwarong a banna le basa di ka ma gae. Ke tlo go balela tseo di latela go. Ga poele ke tlo rata gore o mpotse gore o dumelelana le mafoko a go ya ka setso sa geno. Ke moka ke tla go botsitsa go ya ba kgopolo ya gago. A gona karabo ya nnete goba ya maaka.*

Question Number			<b>It is culturally accepted that ...</b> <i>Go ya ka setjo, go a dumelelega gore...</i>	<b>In your own opinion, do you agree that...</b> <i>Go ya ka wena, o a dumela/amogela gore...</i>
FF801	<i>A woman should do most of the household chores (cooking, cleaning), even if the husband is not working</i> Mosadi o swanetse ke go dira meshomo kamoka ya ka gae( go hlwekisha, go apea...) lege molekane wa gagwe ale gona?	1 = Agree / <i>Dumelelana</i> 2 = Disagree / <i>Ganana</i> 97 = Don't Know / <i>A ke tsebe</i>		
FF802	<i>If a man has paid lobola, it means that his wife must always obey him.</i> Ge monna a ntshitse magadi , seo sera gore mosadi wa gagwe o swanelwa ke go mo theeletsa / obamela ka mehla?			
FF803	<i>If a woman asks her husband to use a condom, she is being disrespectful to her husband</i> Ge mosadi a kgopela molekane wa gagwe go shomisha condom nakong ya thobalano, se sera gore ga ana thlompho ?			
FF804	<i>If a woman asks her husband to use a condom it means that she must be sleeping around with other men</i> Ge mosadi a kgopela molekane wa gagwe go shomisha condom nakong ya thobalano, se sera gore a kano ba a robalana le bangwe kante?			
FF805	<i>A man needs to have many sexual partners, and the wife must just tolerate this</i> Monna oswanetse goba le dinyatsi, gomme mosadi wagagwe a kgotlele seo?			
FF806	<i>A woman should never divorce her husband, no matter what happens</i> Mosadi ga a swanela go hlala/tlogela molekane wa gagwe le go ka direga eng.			
	<b>It is acceptable for a married woman to refuse to have sex with her husband if</b> <i>Go ya ka wena, go a amogelelaga gore mosadi eo a nyetswego a gane go robalana le molekane wa gagwe ge:</i>		<b>C</b>	<b>Y</b>
FF807	<i>She doesn't want to</i> A sa nyake.	1 = Agree / <i>Dumelelana</i> 2 = Disagree / <i>Ganana</i> 97 = Don't Know / <i>A ke tsebe</i>		
FF808	<i>He refuses to use a condom</i> Ge a gana go shomisha condom			
FF809	<i>She is angry because he has other girlfriends</i> Ge a kgopishitse ke gore o nale dinyatsi.			
FF810	<i>She is worried he may have AIDS</i> Ge a belaela gore o nale AIDS.			
FF9401	<i>She refuses to have sex with him /A gana go robalana le yena</i>	1 = Agree / <i>Dumelelana</i> 2 = Disagree / <i>Ganana</i> 97 = Don't Know / <i>A ke tsebe</i>		
FF9402	<i>She asks him to use a condom /A mokgopela gore a shomishe condom</i>			
FF9403	<i>He finds out that she has been unfaithful / Ge a humane gore ga a tshpepe</i>			
FF9404	<i>Disagrees with him in public / Ge a ganana le yena gare ga batho</i>			

**Rural AIDS and Development Action Research Programme  
Sekhukhuneland IMAGE Study**

**YY500 : Sexual Behaviour**

In the next section of the interview I shall ask you some more questions, some of which are quite personal. You don't have to answer them if you don't want to, but I just want to remind you that the answers you give me in this interview will be confidential. Is it alright for me to continue? As you may know, a person may get the AIDS virus through sexual activity. To help prevent the spread of AIDS, we need to know more about all the different types of sexual practices people engage in. Since this survey is confidential, no one will know your answers. If you really don't want to answer a question you may refuse and we will go on. We would appreciate your cooperation in answering these questions – the information you give will be important to help us understand ways to stop the spread of HIV infection.

*“Karolong yeo e latelago ya poledisano ke tla rata go go botsisa dipotsiso, tse dingwe tsa tsona di “personal”. Ga o gapeletswe go araba le ge ele gore ga o nyake, ke rata gogo gopotsa gore dikarabo tseo o mphago tsona mo poledisanong ye e tla ba sephiri. Go lokile gore nka tswela pele? Ka ge o tseba, motho a ka humana twatsi ya AIDS ka thobalano. Go thusa go thibela phatlalalo ya AIDS, re rata go tseba tse dintshi ka ditiragalo tsa thobalano tseo batho ba ikamantsego le tsona. Ka ge nyakishiso ye ele sephiri, a gona yo a tlogo tseba dikarabo tsa gago. Ge ele gore ga o nyake go araba potsiso o kano gana gomme re tla tswela pele ntle le bothata. Re tla thabela tirishano ya gago go arabeng dipotsiso – tshedimoshu yeo oe fago e tla ba bohlokwa go re thusa go kweshisha ditsela tsago thibela phatlalalo ya HIV.”*

Question Number		Codes	
YY501	Have you ever had sexual intercourse? <i>O kile wa robalana?</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 99 = No Response / <i>A gona karabo</i>	
YY502a	Estimate if you need to, but when would you say you first had sex? <i>A kanya ge o rata ke neng la mathomo ge o thoma go dira tsa thobalano?</i>	Give estimated month and year / <i>A kanya a kgwedile ngawaga</i> MM/YY	
YY503	How would you describe the first time that you had sex? Would you say that you wanted to have sex, you did not want to have sex but it happened anyway, or were you forced to have sex?  <i>O ka hlalosa bjang letsatsi la gago la mathomo ge o thoma tsa thobalano? O ka bolela gore o be o nyaka go robalana goba o be o sa nyake efela gwano direga ka tsela e ngwe, goba o gapeleditswe go robalana.</i>	1 = Wanted to have sex / <i>O be o nyaka</i> 2 = Did not want but happened / <i>O be o sa nyake, efela gwa no direga ka tsela e ngwe</i> 3 = Forced to have sex / <i>O gapeleditswe</i>  99 = No Response / <i>A gona karabo</i>	
YY591	<b>If still abstaining, Ge e le gore o sa ireditse</b> What would you say was the main reason you have decided not to have sex up to now? <i>Ke mabaka a fe ao a dirilego gore o seke wa dira tsa thobalano go final ga bjare?</i>  Do not read out list. Mark only one answer.	1=Not had opportunity/ found some one I love / <i>Ga ke na sebaka/ga se hwetsa/motho yo o moratago</i> 2=Religious beliefs / <i>Dutumelo tsa sedumedi</i> 3=Fear of HIV/AIDS / <i>O tshaba HIV/AIDS</i> 4=Fear of pregnancy / <i>O tshaba go ima</i> 5=Parental pressure not to / <i>O tshaba batswadi ba gago</i> 6=Peer pressure not to / <i>Kgatelelo go tswa go bagwera</i> 7=School programs/media / <i>Lenaneo la sekolo/media</i> 8=Other / <i>Tse dingwe</i> 97 = Don't know / <i>A ke tsebe</i> 99 = No Response / <i>A gona karabo</i>	
YY504	How many people would you say you have had sexual intercourse with in total up to now in your life ? <i>Ke batho ba ba kae bao o ka rego o robetse le bona go fihla ga bjale, bophelong bja gago?</i>	Give total number / <i>Efa palo kamoka</i> 88 = Don't know (too many) <i>A ke tsebe(Ba bantshi kudu)</i> 99 = No Response / <i>A gona karabo</i>	

**YY500 : Sexual behaviour continued ...**

I want to ask you now about the people that you have ever had sexual intercourse with. Just for a minute, before I ask you about them, try and think in your mind about all the people you have ever had sexual intercourse with...

*Ga bjale kle tlo rata go go botsisa ka batho bao e le go gore o kile wa dira tsa thobalano le bona. Ka motsotswa na pele ga ge nka go botsisa ka bona, leka go nagang ka batho ka moka bao elego gore o dirile lebona tsa thobalano lebona e se kgale.*

**[Interviewer : Do not mention in advance that you are only interested in partners within the last year]**

Interviewer: “OK, can you think of the last person that you had sex with, I want to just to collect a few details about that person / *OK, o ka nagana ka motho wa mafelelo yoo e lego gore o dirile tsa thobalano le yena, ke no nyaka go kgoboketsa dintshlanyana ka motho yoo.*

**[Interviewer collect details in qus YY - YY below. When complete ....]**

Interviewer: “Thank you. Now, can you think of the person before the one we have just spoken about. I'd like to ask some questions about him/her. / *Ke a le bo kae. Nagana, ka moptho yo a latera go yo re saitsa bolelago ka yena gona bjale ke tlo rata go go botsisa dipotsiso ka yena gare*”

**[Then collect details in qus YY592-YY594 below. When complete repeat the above]**

**[Interviewer : Repeat this process until the person tells you about someone who they last had sex with was more than one year ago. When this happens, say .. “OK, it seems like you haven't had sexual intercourse with that person for over a year. I just want to check the details. You've told me about (list initials given below). Is there anyone else who you've had sex with in the last year, even if this was only once.**

*Botsiso go tswela pele, go fihlela motho yo a go botsa, ka motho yo mongwe yooe le go gore o ga se a dira le yena tsa thobalano mo ngwageng wa go feta. Ge seo se direga e re go lokile, O ka re a senke wa dira tsa thobalano le motho yoo ngwageng wa go feta, ke tlo rata go lekola dinya kwa. O mopoditse (o ngwala initials tseo di fitwego mo tlase) e ka ba go na le e mongwe yo e lego gore o dirile le yena tsa thobano ngwaga wa go feta, le ge e le gore ke ga tee feela.*

***Rural AIDS and Development Action Research Programme  
Sekhukhuneland IMAGE Study***

**Partner type/Mohuta wa molekane:** When details of all the partners have been collected go through each again. For each partner, read out the list of codes below and ask the person to select the expression that they feel most accurately describes their relationship with this person. *Ge dinyakwa tswa balekane ka moka dikgobokgeditswe, lebelela ka o tee ka o tee. Molekane yo mongwe le yo mongwe, bala dikarabo mo fase, o botse motho yo gore kgethe seo se hlalaso go gabotse kama no ya gagwe le motho yoo.*

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
YY592	Initial								
YY593	Date last had sex	--/--/--	--/--/--	--/--/--	--/--/--	--/--/--	--/--/--	--/--/--	--/--/--
YY594	Date first had sex	--/--/--	--/--/--	--/--/--	--/--/--	--/--/--	--/--/--	--/--/--	--/--/--
YY595	Partner type								

**Codes**

***Rural AIDS and Development Action Research Programme  
Sekhukhuneland IMAGE Study***

1 Married  
2 Vat en Sit  
3 Boyfriend / girlfriend

4 Take away  
5 Hit and run  
6 Roll on

**Rural AIDS and Development Action Research Programme  
Sekhukhuneland IMAGE Study**

Interviewer, when the above process is fully completed, put the final details in the boxes below.

		YY506 Married to / living as married with /Nyetswe	YY507 Not married to / living as married with/ <i>ba o sego a nyalana lebona</i>
YY506 YY507	Give the total number of partners listed above who the person is / <i>Efa palo ya balekani ka moka bao elego gore ...</i>		
	<b>FILTER</b>	If the answer to this question is "0" <b>do not</b> answer questions in YY600 / <i>Ge karabo e le "0" o seke wa botsisa potsiso ye 12.</i>	If the answer to this question is "0" <b>do not</b> answer questions in YY700 / <i>Ge karabo ele "0" o seke wa botsisa potsiso ye 13.</i>

**YY600 : Spousal Partners**

[ ] If NO Spousal Partners check  
this box and go to page 20

		1
YY601	INITIAL	—
YY602	No. from HH interview if household member (99 if not) <i>Efa nomoro go tswa go HH questionnaire, ge ele leloko la lelapa</i>	—
YY603	How old are they ? (97 = Don't know / <i>A ke tsebe</i> ) <i>Ba nale mengwaga e me kae? (97 = Don't know / A ke tsebe)</i>	—
YY604	How old were you when you first married this person? <i>O be o nale Mengwaga e me kae ge o nyalana le motho yo?</i>	—
YY605	During the last 12 months how often would you say you have had sexual intercourse with this person ? (0 = None, 1 = Once only, 2 = 2 – 5 times, 3 = 6 – 20 times, 4 = >20 times) <i>Mo dikgweding tse 12 tsa go feta o ka bolet a gore o robalane le motho yo ga kae? (0 = lefela, 1 = ga tee feela, 2 = ga 2-5, 3 = ga 6- 20, 4 = go feta 20)</i>	—
YY606	How often would you say you have used a condom when having sex with this person in the last 12 months ? <i>O kare o shomishitse condom gaka ge o robalana le motho yo mo dikgweding tse 12 tsa go feta?</i> (1 = Never, 2 = Less than half the times, 3 = Half or >half the times, 4 = Always or nearly always)	—
YY607	Did you use a condom the last time you had sex with this person (1 = Yes, 2 = No) <i>O shomishitse condom ge o robalana le motho yo la mafelelo? ( 1= Ee, 2 = Aowa)</i>	—
YY608	Have you ever had sex with your partner because he physically forced you to, or because you were afraid of what he might do if you refused? <i>O kile wa robalana le molekane wa gago ele ge a go gapeleditse, goba ka lebaka la gore o tshaba seo a kago dirago sona ge oka gana?</i> (1 = Yes, 2 = No)	—
YY609	Do <b>you</b> ever have other sexual partners? <i>O nale dinyatsi?</i> (1 = Yes, 2 = No)	
YY691	Do <b>you think</b> this person has other partners? <i>O nagana gore molekane wa gago o nale dinyatsi</i> (1 = Yes, 2 = No)	
YY615	In your opinion is this person at risk of HIV infection? (1 = Yes, 2 = No) <i>Go ya ka wena motho yo o kotsing ya go fetelwa ke HIV? ( 1= Ee, 2 = Aowa)</i>	—

**Rural AIDS and Development Action Research Programme**  
**Sekhukhuneland IMAGE Study**

[ ] If NO NON Spousal Partners check this box and go to page 21
---

**YY700 : Non spousal partners**

Last 3 partners during past 12 months. Start with most recent (1).

		1	2	3
YY701	INITIAL	—	—	—
YY703	How old is that person? (97 = Don't know / A ke tsebe) <i>Motho yo o nale mengwaga e me kae? (97 = Don't know / A ke tsebe)</i>	—	—	—
YY791	Is that person married / living as married to someone other than you? <i>E kaba motho yo o nyetse goba/nyetswe goba/ o dula o kare o nyetse goba / nyetswe goba motho yo mongwe ka ntle le wena?</i> (1 = Never married / A se nke, 2 =Currently married / living as married / Nyetswe/dula o kare o nyetswe, 3 = Separated / Divorced / Kgaogane/Hlalane, 4 = Widowed / Mohlologadi.)	—	—	—
YY704	Do you sometime provide financial support to this person ? (1 = Yes, 2 = No) <i>O fela o mo thusha ka tsa ditselete? ( 1= Ee, 2 = Aowa)</i> <b>If No, go to YY705</b>	—	—	—
YY704A	<b>If YES,</b> What do you usually provide / <i>Ge ele Ee, gabotse o fela o mofa eng?</i> (1=Money, 2=Non-financial gifts, 3=Both)	—	—	—
YY704B	On average, how regularly have you provided this support <i>Ge o lebehitse o fela o mo thusha ka mokgwa o fe</i> (1=Weekly, 2=Monthly, 3=Only occasionally)	—	—	—
YY704C	On average, what is the value of the support you have provided (in a month) / <i>Ge o lebeletse o be o mo fa bo kae</i> (1=R0-15, 2=R16-50, 3=more than R50)	—	—	—
YY705	Do you regularly receive financial support from this person ? (1 = Yes, 2 = No) <i>O fela o amogela thusho ka tsa ditselete go tswa go motho yo? ( 1= Ee, 2 = Aowa)</i>	—	—	—
YY705A	<b>If YES,</b> What do you usually receive / <i>Ge ele Ee, o be o fela o a mogela eng?</i> (1=Money, 2=Non-financial gifts, 3=Both)	—	—	—
YY705B	On average, how regularly have you received this support / <i>O be o amogela ka mokgwa o fe?</i> (1=Weekly, 2=Monthly, 3=Only occasionally)	—	—	—
YY705C	On average, what is the value of the support you have received (in a month) / <i>O be o amogela bokae?</i> (1=R0-15, 2=R16-50, 3=more than R50)	—	—	—
YY706	During the last 12 months how often would you say you have had sexual intercourse with this person (1 = Once only, 2 = 2 – 5 times, 3 = 6 – 20 times, 4 = >20 times) <i>Mo dikgweding tse 12 tsa go feta o ka bolet a gore o robalane le motho yo ga kae?</i> (0 = lefela, 1 = ga tee feela, 2 = ga 2-5 , 3 = ga 6- 20, 4 = go feta 20)	—	—	—
YY707	How often would you say you have used a condom when having sex with this person in the last 12 months (1 = Never, 2 = Less than half the times, 3 = Half or >half the times, 4 = Always or nearly always) <i>O kare o shomishitse condom ga kae ge o robalana le motho mo dikgweding tse 12 tsa go feta?</i> (1 = a se nke, 2 = gago fete seripa, 3 = gofeta seripa, 4 = ka mehla)	—	—	—
YY708	Did you use a condom the last time you had sex with this person (1 = Yes, 2 = No) <i>O shomishitse condom ge o robalana le motho yo la mafelelo? ( 1= Ee, 2 = Aowa)</i>	—	—	—
YY709	During the last 12 months, have you ever paid this person with money or material goods in exchange for sex? (1 = Yes, 2 = No) <i>Dikgweding tse 12 tsa go feta, o kile wa fa motho yo tselete goba se sengwe gore o robalane le yena ( 1= Ee, 2 = Aowa)</i>	—	—	—
YY710	During the last 12 months, have you ever received money or material goods from this person in exchange for sex? (1 = Yes, 2 = No) <i>Dikgweding tse 12 tsa go feta, o kile wa amogela tselete goba se sengwe gotswa go motho yo gore o robalane le yena ( 1= Ee, 2 = Aowa)</i>	—	—	—
YY711	Would you describe the relationship as Currently ongoing, or Now Ended (1 = Current, 2 = Ended) <i>O ka hlalosa gore lerato la lena le tswela pele goba le fedile?</i>	—	—	—
YY712	Do you think this person has other sexual partners ? (1 = Yes, 2 = No) <i>O nagana gore motho yo o nale dinyatsi ? ( 1= Ee, 2 = Aowa)</i>	—	—	—
YY713	In your opinion is this person at risk of HIV infection? (1 = Yes, 2 = No) <i>Go ya ka wena motho yo o kotsing ya go fetelwa ke HIV? ( 1= Ee, 2 = Aowa)</i>	—	—	—

**Rural AIDS and Development Action Research Programme  
Sekhukhuneland IMAGE Study**

**FF9600 : Partnership relationships**

Note to interviewer: Many of the remaining questions ask about how things are going in relationships. When two people are in a relationship, they usually share both good and bad moments. I would now like to ask you some questions about your relationship/s and how you are treated. When I ask about your 'partner' from tis point on, think both about the man/men you may live with at home, or others who you may see only from time to time. These may live locally or far away from home.

Please remember that all answers will be kept confidential. If anyone interrupts us I will change the topic of conversation. I would again like to assure you that your answers will be kept secret, and that you do not have to answer any questions that you do not want to. May I continue?

*Bontsi bja dipotsiso tseo di setsego di botsisa ka mo diro di sepelago mo dikamong tsa gago. Ge ke go botsisa ka molekane go tloga mo, gopola ka monna/banna bao e phelago le bona mo gae gobayoo bao o bononago le bona ka lebaka myana. Ba ka dula kgole goba kgauswi gopola gore dikarabo tsa gago ke sephiri.*

*Ge batho bababedi ba nyalana goba ba dula ga mmogo, ba nale go kopanela dilo the botse le the mpe. Ga bjale ke tla rata go go botjisha mabapi le dikamano seabakeng sa bjale, le ka moo molekane wa gago a go phedishago ka gona. Ge yo mongwe a re tsenela ke tla fetosha hlogo ya taba, ga pe ke rata gogo botja gore dikarabo ka moka tjeo o mphago tjona e tla ba sephiri le gore gao gapeletswe go araba dipotjisho tjeo o sa ratego go di araba. Nka tswela pele?*

Question Number	In your relationship/s with any of your partners has any of the following happened?	Codes	Has this Ever happened <i>Se kile sa direga</i>	Has this happened in the past 12 months? <i>Se diregile dikgweding the 12 tja go feta</i>
FF1001	He encouraged you to participate in something outside of the home that was only for <i>your</i> benefit (ie. women's group, church group) <i>A go hlohleletsa go tsea karolo go se sengwe sa tseo di diregago mo motseng, esego ka gae efela dinale mohola go wena fela (Sehlopha sa kereke, Sehlophasa basadi)</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 98 = Not applicable / <i>Ga e gona</i> 99 = No Response / <i>A gona karabo</i>		
FF1002	He asked your advice about a difficult issue or decision <i>Kgopela Dikeletso gotswa go wena mabapi le sephotho se boima goba ditaba tse bothata.</i>			
FF1003	He kept you from seeing your friends? <i>Leka go go thibela/ganetsa go bonana le bagwera ba gago.</i>			
FF1004	He restricted your contact with your family of birth? <i>Leka go go thibela/ganetsa go kopanela/bonana le meloko ya geno.</i>			
FF1005	He insisted on knowing where you are at all times? <i>Gapeletsa go tseba ka mesepele ya gago ka mehla.</i>			
FF1006	He wanted you to ask permission before seeking health care for yourself? <i>Nyaka gore ka mehla o kgopele tumelelo go yena pele ga ge oka nyaka thusho ya tsa maphelo.</i>			
FF1007	He insulted or humiliated you in front of other people? <i>Go hlapaola/roga goba ago nyenyefatja pele ga batho.</i>			
FF1008	He boasted about girlfriends or brought them home? <i>Ikgantsha ka batlabo/dinyatsi tsa gagwe goba a ba tlisha ka gae.</i>			
FF1009	He tried to evict you from the home? <i>Leka go go ntsha/raka ka mo gae.</i>			

Quest Numb	I want you to tell me if any of the following things have happened to you? <i>Ke tla rata gore o mpotse ge ele gore se sengwe sa tse dilatelago se kile sa direga magareng ga gago le molekane wa gago wa bjale</i>	Codes	(A) Has this Ever happened <i>Se kile sa direga</i>	(B) Has this happened in the past 12 months? <i>Se diregile dikgweding the 12 tja go feta</i>
FF1010	Have you ever had to give all or part of the money to your partner or have you been able to spend your money/savings how you want yourself? <i>O kgona go shomisha mogolo/tshelete ya gago ka mo go ratang wena goba o swanelwa ke efa molekane wa gago engwe?</i>	1 = Self / own choice / <i>ka bonna</i> 2 = Give part to husband / partner / <i>Ke fa molekane e ngwe.</i> 3 = Give all to husband /partner / <i>Ke efa molekane ka moka.</i> 4 = Does not have savings/earnings / <i>A ke amogele selo.</i> 98 = Not applicable / <i>Ga e gona</i>		

**Rural AIDS and Development Action Research Programme**  
**Sekhukhuneland IMAGE Study**

Quest Num	I want you to tell me if any of the following things have happened to you? <i>Ke tla rata gore o mpotse ge ele gore se sengwe sa tse dilatelago se kile sa direga magareng ga gago le molekane wa gago wa bjale</i>	Codes	(A) Has this Ever happened <i>Se kile sa direga</i>	(B) Has this happened in the past 12 months? <i>Se diregile dikgwedi ng the 12 tja go feta</i>
FF1011	Has your partner ever taken your earnings or savings from you against your will? IF YES: Has he done this once or twice, several times or many times? <i>Afa molekane wa gago o kile a tjea tshelete ya gago kantle ga tumelelo ya gago? Ge ele gore go bjalo, O dirile seo makga a makae?</i>	1 = Never / <i>aowa</i> 2 =Once or twice/ <i>gatee goba gabedi</i> 3 = Many times / all of the time/ <i>gansthi/ka mehla</i> 4 = Does not have savings/earnings / <i>A ke amogege selo.</i> 98 = Not applicable / <i>Ga e gona</i>		
FF1012	He pushed you or shoved you? <i>O kile a go kgarametsa ka matla</i>	1 = Yes / <i>Ee</i> 2 = No / <i>Aowa</i> 98 = Not Applicable 99 = No Response / <i>A gona karabo</i>		
FF1013	He hit you with his fist or with something else that could hurt you? <i>O kile ago betha ka matsogo goba ka se sengwe seo se ka go kweshago bohloko.</i>			
FF1014	He physically forced you to have sexual intercourse when you did not want to? <i>O go gapeleitse thobalano o sa rate.</i>			
FF1015	You had sexual intercourse when you didn't want to, because you were afraid of what he might do if you said no? <i>O robalane le yena o sa rate, ele ge o tshaba seo a ka go dirago sona ge o ka gana</i>			

FF9700 : Response to Experience of Abuse

**ONLY COMPLETE these questions if the answer to FF1012B or FF1013B was YES. / BOTJISHA dipotjisho tse ge fela karaba Go FF1012B goba FF1013B ebe ele Ee.**

You might have taken a number of actions in response to the things you have just told me about, and I want to ask you now about what you did. *Oka noba o nale magato/matspa ao o a tjerego kgahlanong le tjeo o bego o mpotja tjona, ke tla rata go tseba ka tjeo o di dirilego....*

Question Number		Codes	
FF1101	In the past 12 months who have you told about the physical violence? <i>Mo dikgweding tje 12 o boditse mang ka tlhosishago eo?</i> <b>DO NOT READ OUT LIST</b> [O SE BALE LENANEGO ] <b>MARK ALL MENTIONED</b> [SWAYA KA MOKA TSEO DI BOLETSEWEGO] PROBE: Anyone else?	1=No One / <i>A gona le o tee</i> 2=Friends / <i>Bagwera</i> 3=Parents / <i>Batswadi</i> 4=Brother Or Sister / <i>Buti/Sesi.</i> 5=Uncle Or Aunt / <i>Malome/Rakgadi.</i>  6=Husband / Partner's Family / <i>Ba gabo molekane wagago.</i> 7=Children / <i>Bana</i>  8=Neighbours / <i>Ba-agishane.</i> 9=Police / <i>Maphodisa</i> 10=Doctor / Health Worker / <i>Ngaka / Moshomedi wa tsa maphelo</i> 11=Priest / <i>Moruti</i> 12= Social worker or Counsellor / <i>Modirela leago</i> 13=Local Leader / <i>Moetapele motseng</i> 14=Other / <i>Ba bangwe</i>	
FF1102	In the last 12 months have you ever left your own home, even if only for one night, because of what he might do to you? <i>Mo di kgwedding tse 12 o kile wa tlogela lapa la gago, le ge e be e le bosego bjo bo tee, ka lebaka la seo a ka go dirago soma?</i>  IF YES, How many times in the past year? <i>Ge ele gore go bjalo, ke makga a makae mo ngwageng wa go feta</i>		Give Number of times <i>Efa palo ya makga.</i>  00 = Never left / <i>A se nke</i>
FF1103	IF YES Where did you go the last time? <i>Ge ele gore go bjalo, O ile kae la mafelelo?</i> MARK ONE [SWAYA E TEE FELA]	1=Her Relatives / <i>Meloko ya geno</i> 2=His Relatives / <i>Meloko ya molekane wa gago</i> 3=Her Friends / Neighbours / <i>Bagwera /Baagishane</i> 4=Hotel / Lodgings / <i>Hoteleng?Mafelong a go hirishwa</i> 5=Church / Temple / <i>Kereke</i> 6=Shelter / <i>Moo oka humanago botshabelo gona.</i> 7=Other / <i>Tse dingwe</i>	

**Rural AIDS and Development Action Research Programme**  
**Sekhukhuneland IMAGE Study**

Question Number		Codes		
FF1104	How long did you stay away <u>the last time?</u>  <i>O tsere lebaka le le kae o sepetse/tlogile la mafelalo</i> RECORD NUMBER OF DAYS OR MONTHS	Number Of Days (If Less Than One Month) / <i>Efa palo ya matjati (ge ese kgwedi)</i> Number Of Months (If One Month Or More) / <i>Efa palo ya dikgwedi (ge ekaba kgwedi goba go feta)</i>  98 = Left Partner/Did Not Return / Became separated or divorced	____Days  ____Mos.	
FF1105	<b>If Returned</b> , Why did you return? <b>Ge ele gore o boeletse, Ke ka lebaka la eng o boeletse?</b>  MARK ALL MENTIONED  [SWAYA KA MOKA TSEO DI BOLETSEWEGO]	1=Didn't Want To Leave Children / <i>O sa nyake go tlogela bana</i> 2=Sanctity Of Marriage / <i>Bokgethwa bja lenyalo</i> 3=For Sake Of Family / Children / <i>Bakeng sa bana / Lelapa</i> 4=Couldn't Support Children / <i>O shitwa kego fepa bana</i> 5=Loved Him / <i>Obe omo rata</i> 6=He Asked Her To Go Back / <i>O kgopetje gore o boele go yena</i>	7=Family Said To Return / <i>Ba lelapa barile o boelele</i> 8=Forgave Him / <i>O mo lebaletse</i> 9=Thought He Would Change / <i>O gopotse gore o tla fetoga</i> 10=Threatened Her / Children / <i>O tshosheditse wena/bana</i> 11=Could Not Stay There (Where She Went) / <i>O kase kgone go dula moo.</i> 12=Other / <i>Tse dingwe.</i>	

**FF9000 : SEF questions (IMAGE Women Only)**

I'd like to ask you just a few questions about your experience being part of the SEF Programme.

FF9002	Approximately when did you receive your first loan from the <b>Small Enterprise Foundation?</b> / <i>O kare o amogetse neng kadimo ya gago ys tshelete ya mathomo potswa go SEF?</i>	Give date (mm/yyyy) <i>Efa letsatsi</i>	
FF9004	How many loans have you received and paid back in full from the Small Enterprise Foundation? / <i>Ke di kadimo tse kae tseo o di tserego, tseo o setsego o di lefile mo go SEF?</i>	Give number / Efa palo	
FF9005	What was the size of the largest loan you have paid back in full from the Small Enterprise Foundation? / <i>E ka ba ke kadimo ya bokae e kgolo yeo o setsego o e lefile?</i>	Give value in Rands	
FF9014	The people in my loan group support me when I am having problems / <i>Maloko a sehlopa saka ba nthekaga ge ke nale mathata</i>		
FF9015	IF YES (1 or 2 to FF9014), how would you best describe the type of support members of the group provide to you? Ye ele gore (1 or 2 to FF9014) o ka hlalosa bjang thekgo yeo ba go fago yona. Mark all that apply  (1=Yes, 2=No, 98=Not applicable)	A = Help with financial issues / <i>Ba nthusa ka ditshetele</i> B = Advice with business issues / <i>Maele ka tsa kgwebo</i> C = Advice with personal issues / <i>Maele tsa bophelo</i> D = Other material support (ie. food, clothing) / <i>Tse dingwe tsa dilo go swana le dijo diaparo</i> E = Emotional support (love, caring, friendship) / <i>Thekgo yo maikotlo (lerato, thlokomelo, segwera)</i> F = Other / <i>tse dingwe</i>	
FF9022	Of the last 4 scheduled SEF centre meetings, how many have you personally attended? / <i>Mo di kopanong tse 4 tsa SEF tsa mafelelo, e ka ba ke tse kae tseo o beng o le gona?</i>	Give number	
FF9029	In general, how would you rate your partner's support for you joining SEF? / <i>Ka kakaretso o kare thekgo go tswa go molekane wa gago ge o tsena mo go SEF ke a kae?</i>	1 = Very supportive / <i>O mpha thekgo e kgolo</i> 2 = Difficult at first, but now supportive / <i>O bile bothata mathomong ka morago a mpha thekgo</i> 3 = Not supportive at all / <i>Ga ana thekgo le ennyane</i> 4 = He didn't care / <i>Ga ana le tseo</i> 97 = Don't know / <i>A ke tsebe</i> 98 = No partner/not applicable / <i>Ge ke na molekani / ge gona selo</i>	

**Interviewer: Now go back and complete the final sections of the front page of this interview.**