15th January 2015

The power of parents' aspiration

A project evaluation in rural India

Alexandra Sundberg

ABSTRACT

The objective of this thesis is whether women accessing education and credit affect her and her husband's aspiration concerning their child's future age of marriage, preferred occupation and educational attainment. By measuring the effect of a Self Help Group (SHG) project in Tamil Nadu, India, it is shown that microfinance+ does affect fathers' aspiration for their children's future age of marriage. Using one survey of 75 households having children (n~128) aged 6 to 16 years in 8 villages, it´s shown that the microfinance+ effect on "age parents' wish their child to marry" increases by almost 3 years among fathers. The father's own educational level increases the age he wishes his child to marry by little less than 4 months per year in school. Education appears to have a significant effect on parental aspiration, independently on how it is gained. No evidence was found between microfinance alone and parental aspiration. The result further shows a significantly decreased gender gap within the male dominated labor market. No clear evidence was found concerning changes in parental aspiration on educational attainment.

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THANK YOU

to all of the mothers and fathers in the villages around G.Kallupatti, India,
for your numerous *chai's*,
for your strength to change what is bad into something good,
for your hospitality,
and for your will to participate,
to the three musketeers *Siva*linviam, *Maha*rajan and *Haja* Mohideen at RTU
for translating,
for taking care of me on the field,
and for taking your time to help me,
to the organization *Reaching the Unreached* in G.Kallupatti, India, for receiving me,
to SIDA and their *Minor Field Study* scholarship which made my research a reality,
to my supervisor Michele Valsecchi at University of Gothenburg for guidance,
and to my family,
for always being there.

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1 INTRODUCTION

In 2000, 189 nations made a promise to free people from extreme poverty and multiple deprivations. This pledge became the eight Millennium Development Goals (MDGs) which were set to be achieved by 2015 (UNDP, 2013).

Lending money to poor women is claimed to be one of the biggest channels for achieving the MDGs and has been done so through microfinance institutions (MFIs) (Banerjee&Duflo, 2011). The basic argument is that women, in comparison to men, invest the money in goods and services that improve the well-being of the whole family. As a result, microfinance schemes have thus been directed almost exclusively at women (Duflo, 2012).

The enthusiasm for MFIs reached its peak in 2006 when Mohammad Yunus and the Grameen Bank, the first MFI focusing on lending to the poor with low interest rate, won the Nobel Peace Prize for their contribution in world poverty reduction. Recently presented evidence shows however that the effect of a MFI in India on its member households is not as strong as earlier believed (ibid). The reason is said to be that social and cultural gender norms are preventing women to change their position in their community (Banerjee et al, 2013). Accordingly, UNDP (2013) stresses that microfinance needs to be complemented with capacity buildings schemes including awareness raising education and training for being able to make an impact on social norms preventing women to be empowered. MFIs i.e. access to credit complemented with capacity buildings schemes i.e. access to education is therefore believed to be a stronger channel for reducing poverty than microfinance alone (Duflo, 2012), which will be referred to as microfinance+ as of now (Sida, 2006).

Whether microfinance+ will be more efficient to spark women empowerment or not, in comparison to microfinance, is unknown. Accordingly, the objective of this thesis is whether women accessing microfinance+ affects her and her husband's aspiration concerning their child's future age of marriage, preferred occupation and educational attainment. Women empowerment is defined as a "power within" (Kabeer, 1999), which is why aspiration is measured instead of an observable behavior i.e. to act differently requires one to think differently and a measurement of aspiration could capture a possible change of thought due to microfinance+.

The household is not treated as one unit but as a relation between the parents and the child, and among the parents themselves as husband and wife. In India today, men are valued higher and granted greater power than women which are making the women economically, culturally and socially dependent on men (Tulika, 2014). Consequently, children are treated differently due to gender. If parents begin to aspire as much from a daughter as they do for a son e.g. to complete same level of education, strive for equal jobs within equal labor markets, and marry at equal ages, a potential change in social and cultural gender norms can occur. Hence parental aspiration being gender neutral today can spark gender equality among their children tomorrow.

By measuring the effect of a Self Help Group[1] (SHG) project in Tamil Nadu, India, it is shown that microfinance+ does affect fathers' aspiration for their children's future age of marriage. Using one survey of 75 households having children (n~128) aged 6 to 16 years in 8 villages, it´s shown that the microfinance+ effect on "age parents' wish their child to marry" increases by almost 3 years among fathers. The father's own educational level increases the age he wishes his child to marry by little less than 4 months per year in school. Education appears to have a significant effect on parental aspiration, independently on how it is gained. No evidence was found between microfinance alone and parental aspiration. The result further shows a significantly decreased gender gap within the male dominated labor market. No clear evidence was found concerning changes in parental aspiration on educational attainment.

2 BACKGROUND

Following section presents the background concerning women empowerment and its relation to economic development, the arranged marriage in India and why it is believed that a change in social and cultural gender norms can spark it.

2.1 *Women empowerment and economic development*

Millennium Development Goal number three *Promote gender equality and empower women* stresses equality to be an important factor to accelerate an economic development, and vice versa, the importance of economic development when working for equality between genders. The set target for goal number three is to "eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015".

UNDP's measurement for gender equality is based on boys' and girls' school enrollment, women's access to paid employment and proportion of seats held by women in single or lower houses of national parliament (UNDP, 2013). India missed the 2005 deadline of eliminating gender disparity in primary and secondary education. However, the country has since then had a hastened progress and is today, according to current trends, nearly on track showing a 94% ratio

[1] A SHG is a group with an average size of about 15 women from a homogenous caste with similar financial background where they come together to address their common problems. The women are making monthly savings whereas they after one year start using the pooled resources to give low interest loans to group members.

of female to male secondary enrollment in 2012 (UNDP, 2014a). Ratio of female to male engagement in paid employment in the non-agricultural sector is reaching a level 20% in 2012 and proportion of seats held by women is 11.46% (MOSPI, 2014): evidently is female participation still low in India whereas the disparity is not likely to be eliminated by 2015. Consequently the women of India remain having limited access to labor markets and as well to higher level decision-making positions within her community (UNDP, 2014b).

The relationship between women empowerment and economic development is defined as improving the ability of women accessing constitution of development, such as health care, education, earning opportunities, microfinance and political participation (Duflo, 2012). This thesis is focusing on two constitutions of development; (1) microfinance and (2) education.

(1) Microfinance is assumed to accelerate a process of women empowerment. The target group of microfinance schemes is traditionally, and almost exclusively, women who are argued to invest in goods and services that will improve the well-being of the whole family (Duflo, 2012). Hence improving the accessibility to credit for women is hoped to give a positive effect on the whole family and not only the woman *per se*.

The cost of lending to the poor is considered high due to unwillingness or inability to repay, resulting in a high interest rate. The solution has been to form a contract with a local agent to a group of borrowers (instead of individually) who are liable on each other's loans and hence have a reason to make sure that the other group members repay. Thus the risk of default is decreasing in a group compared to repaying individually since the risk now is spread between many borrowers instead of just one (Ray, 2007).

The impact of increased access to credit through microfinance schemes on women empowerment appears however to be low. Banerjee et al (2013) comprehensive research on a randomized micro-credit scheme in India resulted in no clear measurable evidence on women empowerment, measured as an equally weighted average of women's decision-making within 16 different social outcome (e.g. social decision concerning education, health, home purchase and repair and so forth). Nevertheless, microcredit does affect the structure of household consumption where an increased investment in home durable goods is found together with a restricted consumption of temptation goods and expenditures on festivals and parties. Microcredit affects labor supply choices as well whereas households having access to loans seem to work harder on their own businesses. Evidently, microcredit expands households' abilities to make different choices but earlier studies have overestimated the potential of businesses of the poor as a source of revenue as well as a means of empowerment of female owners (Banarjee et al, 2013). Consequently, mere economic development through MFIs is alone insufficient to ensure significant progress for important dimensions of women's empowerment, and in particular in decision-making ability (Duflo, 2012).

UNDP (2013) states in the Millennium Development Goals Report: decision-making are "a direct result of differences between women and men in terms of their control over resources, including income and asset ownership. These, in turn, are determined by institutional factors such as laws and norms related to inheritance and property ownership, which, in many countries,

tend to discriminate against women." As a result, it is said that microfinance needs to be backed up with training, awareness creation programs and education to give a fundamental effect on the existing social and cultural gender norms (UNDP, 2013).

(2) Education is assumed to accelerate a process of women empowerment. It is commonly believed that overall return of female education should be higher compared to boys since education has traditionally been denied girls. Assumingly, a more educated woman strives for higher outside wages, and it should as well be easier for her to get a job (Duflo, 2012). A woman having a more regular income is assumed to achieve greater autonomy, self-reliance in the household and in her personal development, thus getting increased decision-making power (UNDP, 2013). However, the evidence on educations impact on women's empowered decision-making suffers from biases where Duflo (2012) emphasizes that more educated girls usually come from richer families and marry richer, more educated and progressive husbands. As such, it is difficult to account for all of these factors and the evidence on estimated return of female education tend to be overestimated. Nevertheless, when controlling for the households characteristics causing biases, households in Indonesia still have fewer children when the wife is more educated but with an unchanged child mortality (Breierova & Duflo, 2004), and in Taiwan, both mothers and fathers education is estimated to positively affect their child's health (Chou et al, 2010). Evidently, research shows a positive causality between education and household decision-making, in this case concerning health, whereas one parental effect is not stronger than the other. Education seems to be equally important for girls as well as for boys, and consequently, educating girls should neither be favored nor neglected. Accordingly, education has the power to change behavior when giving women and men access to new information.

2.2 *Women empowerment and arranged marriage in India*

It is stressed that social and cultural norms of gender based behavior is preventing women to change their position in their community (Banerjee et al, 2013). In India, gender based behavior is very much embedded in the constitution of arranged marriage and is thus important to understand in relation to women empowerment.

Family structure in India was in 2006 estimated to be based on arranged marriage in 90% (Uberoi, 2006; read Tulika, 2014) to 95% (Lall, 2006; read Tulika, 2014) of the cases. An arranged marriage is parentally arranged and agreed upon between everyone involved (Netting, 2010) whereas a relationship between spouses is established after the wedding. A love marriage is a relationship individually chosen based on mutual love, affection, commitment and attraction, and is established before the wedding (ibid). Arranged marriage should not be confused with forced marriage, whereas the family is arranging a wedding without the child's freely given consent (Bunting, 2012), or a child marriage, whereas the family is illegally arranging a wedding for their under-aged child (i.e. below 18 years old).

Arranged marriage is historically and traditionally embedded in India since the Indo-Aryans came to dominate the subcontinent in 1500 B.C., and whose religion later evolved into

Hinduism, which is today practiced by 80% of the population (Tulika, 2014). From a Hinduism perspective, marriage is considered obligatory and sacramental (Sonpar, 2005: read Tulika, 2014). The Hindu text known as "Laws of Manu" clearly states the significance of marriage and the traditional duties of a husband and wife. (Doniger & Smith, 1991; read Tulika, 2014). It advocates marriage to be a social obligation rather than an individual private pleasure, which highlight India being a country of collectivism rather than individualism (Hofstede, 1991: see Tulika, 2014). If not entering into marriage, one is considered to be without sacrifice. The cultural and religious emphasis on marriage adds social and religious pressure for young men and women to get married, which is as well seen as a necessity since without a marriage one is not obligated to enter the life of a householder nor having children. The role of the husband is to provide for the family, caring for and protecting his wife, whereas the role for the wife is to be devoted to her husband and take care of their children. The view on marriage is sacramental and eternal, whereas divorce is rarely seen (Bell, 1997: see Tulika, 2014).

After India's independence in 1947, sociologists predicted that love marriage would become the norm along with democracy, industrialization and secular society (Goode, 1963; Inkeles & Smith, 1974; Lenski, 1966; read Tulika, 2014). They argued that educated young citizens participating in a modernizing economy would insist on choosing their own partner. Although some subgroups did in fact endorse love marriage in theory (Kapur, 1970; read Tulika, 2014), in practice arranged marriage continued to be the norm (Cormack, 1961; Gore, 1968; Ross, 1961). However, modernization has led to a change of practice where different levels of arrangement have emerged (Stopes-Roe & Cochrane, 1990; read Tulika, 2014). The parents are the decision-makers at all levels whereas the levels of arrangement differ only in the degree of participation and veto right given to the individual marrying. A high degree of participation involves the individual in the selection of spouse, gives the individual the possibility to meet the spouse under restricted circumstances, and as well gives the individual to accept or refuse the proposal. A low degree of participation in arranged marriage is ones which the couple doesn't meet until the wedding day but are still, nevertheless, a marriage chosen to be arranged by the individual itself (Tulika, 2014).

When arranging a marriage, parents invest a lot of time to ensure comparability in terms of religion, caste and financial background. The caste system is a system of social stratification which historically separated groups into thousands of endogamous hereditary groups called castes, each having its own privileges and limitations transferred by inheritance from one generation to the next (Tulika, 2014). Four types of castes exist amongst Hindus - Brahmin, Kshatriya, Vaisya and Shudra – whereas Brahmin is ranked as the highest and Shudra as the lowest (Tulika, 2014). Those falling outside the caste system are known as Dalits, or the Untouchable, and are not a caste *per se* but casteless and is ranked lowest of all social groups. Dalits are today recognized by the Indian government and protects them as Scheduled Castes (SC) and Scheduled Tribes (ST) and stood for 25.2% of India's total population in 2011 (MHA, 2011). Consequently, the caste system is embedded in the constitution of arranged marriage since it is endogamous. Another distinguishing social feature of Indian society affecting the

constitution of marriage is that it is patrilineal and patriarchal in its nature. A patrilineal society is defined as one which descent, affiliation, and authority passes through the males, and a patriarchal society is one which males assume the dominant role in social, economic and economic spheres (Ember, 2003; read Tulika, 2014). Consequently, there is a strong son preference in India since sons are traditionally expected to take care of the family while daughters will move away to her husband's joint household after marriage. Joint households consist of male descendants of common ancestors who co-live along with their spouses and children, sharing property, food and finances (Bharat & D´Cruz, 2001; read Tulika, 2014). The daughter-in-law occupies the lowest position in her husband's joined family's hierarchy whereas the mother-in-law has the power over her. As a result, arranged marriages are highly male-oriented (Jejeebhoy & Sathar, 2001; read Tulika, 2014) whereas women experience pressure to marry early as they are considered a social and economic liability to her family (Chager *et al*, 2010; read Tulika, 2014).

Accordingly, men are valued higher and granted greater power than women which are making the women economically, culturally and socially dependent on men (Jejeebhoy & Sathar, 2001; read Tulika, 2014). With globalization, patterns are however changing and women have gained more avenues for education and employment (Chager *et al*, 2010; read Tulika, 2014) which is, for example, slight improving the relationship between the mother-in-law and daughter-in-law (Jejeebhoy & Sathar, 2001; read Tulika, 2014). Women in India stands in a position need of empowerment accordingly, because they are, as for now, not being valued as highly as men. Conclusively, women's disempowered position is socially and culturally embedded in the constitution of arranged marriage.

2.3 *The power of parental aspiration*

The household is not a unit, but a relation between the parents and the child, and among the parents themselves as husband and wife. Most parents are in a position of power relative to their children; they decide who goes to school, who stays home or goes out to work, and how their earnings are spent. Accordingly, parents' experienced economic return of education, hopes about the future, expectations and even how generous they are feeling toward them are all in all affecting their child (Banarjee & Duflo, 2012).

Aspiration is assumed to differ depending on the gender of the child since women have a socially, culturally and economically disempowered position in India, hence the aspiration for girls tend to be lower than for boys. The idea that gender identity is, at least, partially a social construction is widely acknowledged in sociology (Eagly, 1987; read Beaman *et al*, 2011) and social cognitive theory (Bandura, 2001; read Beaman *et al*, 2011). Gender norms can thus be partially understood as a social and cultural construction and therefore changeable. These literatures identify 'belief in one's own ability' as a key mechanism for personal agency and further show that this very same belief is highly correlated with educational aspirations and occupational choices (Bandura *et al*, 2001; read Beaman *et al*, 2011). Gender differences in

‘beliefs in one’s ability’ are shown to be an important factor behind the differences in male and female aspiration (Bussey & Bandura, 1999; read Beaman *et al*, 2011).

Interventions affecting these beliefs have been shown to influence long-term behavior. Beaman *et al* (2011) measured the effect of a gender quota intervention, implemented in 1933, which reserved leadership positions for women in randomly selected village councils in India. They ought to see whether female leadership raises parental aspiration for daughters’ wished age of marriage, preferred occupation and educational attainment in India. The Beaman *et al* constructed five indicator variables to capture aspiration: 1 if the parent wishes the child to marry at an age above 18; 1 if the parent would like the child to at least graduate from secondary school (grade 12); 1 if the preferred occupation is different from housewife or what the in-laws preferred; 1 if the answer is a “highly paid job” as a doctor, engineer, scientist, teacher, or a legal career; and 1 if the parent desires the child to become a pradhan (member of the village council). These five variables are referred as “good measures of aspiration since they are future-oriented and predictive of current behavior” (Bandura *et al*, 2001; read Beaman *et al*, 2011). A standardized average was created among the first four outcomes due to them having a fairly high degree of correlation. Using a 8453 surveys of adolescents aged 11 to 15 and their parents in 495 villages, they found that, relative to villages in which such position were never reserved, the gender gap in aspirations closed by 20% in parents and 32% in adolescents in villages assigned a female leader for two election cycles. The result shows that gender quota as an intervention can help creating female role models by opening positions that were previously unavailable to them and changing aspirations within the household accordingly. Measuring aspiration has thus been shown effective to capture a change within.

3 THE THEORATICAL FRAMEWORK

Following section presents the theories lying behind the process of empowerment and how it can be understood as three different dimensions of power.

3.1 *Understanding empowerment*

The social economist Naila Kabeer (1999) defines empowerment as being "the processes by which those who have been denied the ability to make choices acquire such ability. In other words, empowerment entails a process of change". The World Bank identifies four inter-related key elements of empowerment: (i) access to information, (ii) inclusion and participation, (iii) accountability and (iv) local organizational capacity (Sida, 2006). These four key elements are essential for creating a community where there is a possibility to choose, and to choose otherwise. Kabeer makes a distinction between first and second order choices, depending on how much the decision affects one’s life. The first order implies strategic life choices while the second order refers to smaller choices as a matter of life quality (Kabeer, 1999), for example "whom to marry?" (first order) versus "what's for dinner?" (second order). Thus, to become

empowered refers to the expansion in people's ability to make first order choices in a context where this ability was previously denied them.

The expansion of one's ability to exercise choice can, according to Kabeer, be thought of in terms of changes in three inter-related dimensions of power: (a) resources, (b) agency and (c) achievements. The dimensions are inter-dependent because changes in each contributes to, and benefits from, changes in the others.

(a) Resources form the conditions under which choices are made and can be material, social or human. Material resources refer explicitly to traditional economic resources such as labor, land and finance. Human resources refer to the quality of the labor force and are embodied in the individual concerning attributes such as knowledge, skills, creativity and imagination. Social resources are embedded in the social sphere where claims, obligations and expectations are formed through ones relationships, networks and connections. Depending on the magnitude and attributes of one's social sphere, individual situations can be changed for the better or for the worse beyond what would have been possible through their individual efforts alone.

The distribution of resources are channeled through a variety of institutions and processes and ones access to resources will be determined by the rules, norms and practices which are embedded within these institutional domains (e.g. familial norms, public sector entitlements and presence of non-governmental organizations). These institutional rules, norms and practices assign some actors authority over others regarding how and to whom certain resources should be allocated to (Kabeer, 1999). Consequently, the institutional domains assigning who to have authority is thus embedded in the outcome of the final distribution of resources. Heads of households, managers of organizations and elites within the community are all given the power, by the institutional rules, norms and practices, to exercise choice and thus implementing this choice in their institutional domain, thus a matter regarding decision-making.

In terms of exercise of choice, one needs to have access to choice and thus access to material, human and social resources. Access to resources is dependent on the authority and thus formed by the institutional domains of the context. Empowerment occurs when it entails a change in the terms on which resources are acquired as much as an increase in access to the same acquired resources. Hence, as Kabeer puts it, "the access to resources are as important as the resources themselves" (Kabeer, 1999).

Kabeer's second inter-related dimension of power is (b) agency, defined as "the ability to define one's goal and act upon them." Kabeer emphasizes the importance to look upon actions being more than the observable actions: it includes the meaning, motivation and purpose of the action that construct individuals sense of agency i.e. the "power within." Criticism is here made by the author whom stresses that the understanding of agency tends to be operationalized within the field of economic as "individual decision-making." Agency should be understood within terms of power including collective and individual "bargaining, negotiation, deception, manipulation, subversion, resistance and protest as well as the processes of reflection and analysis" (Kabeer, 1999).

The third inter-related dimension of power is (c) achievements, defined as the outcome of choice, is to be understood within Sen's (1985) concept of "functionings", defined as all the possible ways of "being and doing" which are valued by people in a given context and "functioning achievements", referring to the particular ways of being and doing which are realized by different individuals. When the failure to achieve can be derived to the underlying distribution of resources, it can be understood as being a manifestation of disempowerment. However, a successful outcome of choice today will enhance tomorrow's resources or agency and thus increase future capabilities (Kabeer 1999, Sen 1985).

4 OBJECTIVE AND METHODOLOGY

Following section presents the objective of this thesis, the econometric models and its null hypothesis and the sampling method.

4.1 *Objective*

Women in India stands in a position need of empowerment because they are, as for now, not being valued as highly as men whereas this disempowered position is socially and culturally embedded in the constitution of arranged marriage. Whether the sample group wished for an arranged marriage or not was not controlled for in the questionnaire. However, the family structure in India was in 2006 estimated to be based on arranged marriage in 90% (Uberoi, 2006; read Tulika, 2014) to 95% (Lall, 2006; read Tulika, 2014) of the cases. One assumption is made accordingly: the whole sample group wishes their children to have arranged marriages. This is because arranged marriage is the norm and is therefore what is most likely to be wished for. The family i.e. the household is treated as a group of people where decisions are made and contains processes of decision-making as a result of bargaining power among the family members. Parents are in a position of power relative to their children concerning whether they should go to school and for how long, who stays home or goes out to work and how their earnings are spent (Banerjee & Duflo, 2011) and as the case in India, who and when to marry. Hence fathers' and mothers' aspirations about their children's future clearly matter in the decision-making process and as well who of the parent's having the most bargaining power (ibid). One channel of development is through microfinance+, combining microfinance (access to credit) with awareness creation programs (access to information and education), whereas the objective of this thesis is as following

> "Is microfinance+ affecting parental aspiration concerning their children's future occupation, educational attainment and age of marriage?"

These three variables are taken from the research of Beaman *et al* (2011) to capture parental aspiration as they are future-oriented and predictive of current behavior, as earlier been presented in section 2.3. Women empowerment is understood as a "power within" (Kabeer, 1999), which is

why aspiration is measured instead of an observable behavior. Meaning, to act differently requires one to think differently and a measurement of aspiration could capture a possible change of thought due to microfinance+. I therefore find the objective of this thesis highly interesting as it has the potential to capture a process of women empowerment within.

The research is done in co-operation with the organization *Reaching the Unreached* (RTU), based in the village G.Kallupatti in the Theni District of Tamil Nadu, India, who has implemented microfinance+ since 1992 through local networks of Self Help Groups (SHGs). A SHG is a group with an average size of about 15 women from a homogenous caste with similar financial background where they come together to address their common problems. The women are making monthly savings of 200 INR whereas they after one year start using the pooled resources to give low interest loans to group members. SIDA (2006) stresses the process of a SHG as "a help to imbibe the essentials of financial intermediation including prioritization of needs, setting terms and conditions and keeping accounts. This gradually is hoped to build financial discipline in all of them. They also learn to handle resources of a size that is much beyond any of their individual capacities. SHG members begin to appreciate that resources are limited and have a cost". Once the groups show this mature financial behavior, banks or RTU are encouraged to make loans to the SHGs in certain multiples of the accumulated savings of the SHG. The bank loans are given without any collateral and at market interest rates while RTU give loans with a monthly interest rate of 2% during the first 5 years while it thereafter decreases to 1%. The groups continue to decide the terms of loans to their own members and members thereafter individually decide whether to borrow from the pooled resources or not. Since the groups' own accumulated savings are part and parcel of the aggregate loans made by the groups to their members, peer pressure is hoped to ensure timely repayments. According to Project Manager Mr. Haja Mohideen, defaults in the SHGs are in overall very low.

In addition, RTU is complementing microfinance by giving access to information concerning health, education, earning opportunities, rights, and political participation via open lectures in their villages; hence giving access to microfinance+. RTUs key objectives of the SHGs are to create a platform where the rural women can increase their knowledge about their rights and unite their voices, collectively act and claim these very rights from the responsible institutional domain. An additional objective is improved sensitivity in men towards women. A SHG membership will control for access to microfinance+ accordingly.

The effect of SHG membership on mothers' and their husbands' aspiration concerning their child's age of marriage and educational attainment will be estimated using a multivariate OLS regression analysis. As earlier presented, women in India are not being valued as highly as men whereas gender will be controlled for among children with hope to capture this predicted inequality. Parents are as well divided by gender as mother and father to capture whether fathers are affected by microfinance+ through their wife's being SHG members or not, meaning the fathers are not being a member *per se*. Other variables *x* being controlled for are age of child, caste (MBC, BC, ST, SC), parent's education, parent's being literate, parent's total number of children, parent's age of marriage, households annual income, whether the mother has taken a

SHG loan or not and size of the SHG loan. All other independent variables are considered unknown and placed in the error term u. This leads to the linear econometric models

$$aspiration_{parent} = \beta_0 + \beta_1 SHG + \beta_2 daughter + \Delta x + u$$

The dependent variables capturing parental aspiration $aspiration_{parent}$ are (i) age parent wishes child to marry and (ii) parent wishes child to complete 12th grade or higher. *Parent* is dividing the parents by gender whereas the mother and father are measured separately. As followed; β_0 is the intercept; β_1 is the estimated effect of SHG membership on parent's aspiration; and β_2 is the estimated effect of child's gender on age parent wishes child to marry. The Δ is the estimated effect of the control variables x.

(i) The first dependent variable is the age parent wishes their child to marry whereas each mother and father answered individually for each of their child being between 6 – 16 years old. The age interval 6 – 16 years was chosen after a test group had answered the questioner including all of their children regardless age. These parents had a hard time picturing their child below 6 years getting married and seemed to suggest an age without closer reflection. As a result, the age of marriage could not here be defined as an aspiration and should therefore not be included. Meanwhile, parents having a child above 16 years old seemed to answer as the age of marriage was already decided and should therefore not be defined as an aspiration either. The age interval 6 – 16 years was in the end chosen due to it presenting the age which the child should be enrolled in primary and secondary school. The variable is chosen to be coded differently from Beaman *et al* (2011) because by including wished marriage at all ages would capture a possible change even though the change would occur above an age of 18 years old. Consequently, not only a change of parental aspiration concerning child marriage is captured but as well a possible decrease in gender gap of when being arranged a marriage.

(ii) The second dependent variable is the child's educational attainment, coded as 1 if parent whishes child to complete 12th grade or higher. This is coded as in Beaman *et al* (2011) and captures whether parents want their child to complete secondary school or not. Capturing aspirations concerning educational attainment is important since children are as well here treated differently due to gender differences. Consequently, women being married earlier than men will miss the opportunity to attain higher studies, since married women are traditionally moving to her husband for taking care of her husband and household and start a family. Complementing the result of (i) with the effect of microfinance+ on (ii) will show whether a possible postponement of arranged marriage for girls are going hand in hand with enhanced aspirations concerning educational attainment for girls. The null hypothesis of this thesis is

$$H_0: \beta_1 = 0 \text{ against } H_1: \beta_1 \neq 0$$

The null hypothesis can be rejected at a chosen significance level of 10% if SHG membership has zero *ceteris paribus* effect on age parents' wishes their child to marry. Meaning if β_1 is zero

or statistically insignificant, SHG membership i.e. microfinance+ has no effect on parents wished age of marriage for their child. Consequently, a postponement of arranged marriage for girls would less likely occur since it is not wished for and would thus fail to effect social norms of gender based behavior as husband and wife within an arranged marriage. On the other hand, if β_1 is statistically significant, SHG membership has an effect on parents wished age of marriage for their child. Consequently, a postponement of arranged marriage would decrease the age gap between daughters and sons if the increase in daughters wished age of marriage is bigger than for sons. The social and cultural gender norms within arranged marriage would be closer to equal since parents now would want their sons and daughters to marry at a more similar age than initially.

Lastly, preferred occupation is coded by the occupation itself as descriptive statistic. Beaman *et al* (2011) coded preferred occupation differently where they defined teacher as a "highly paid job". In India, only governmental teachers are paid high wages while teachers at private schools are paid much less, consequently should only governmental teachers be coded as 1. To avoid under- or overestimations of the SHG effect on preferred occupation, due to coding teacher as highly paid when the parent has not clarified what kind of teacher he or she wishes their child to be, occupation is instead coded as a descriptive statistic. Nevertheless, Beaman *et al* way of coding preferred occupation as 1 if being highly paid is of interest since it indicates a parental aspiration that goes hand in hand with children's educational attainment: striving for higher paid occupations requires most probably higher studies for the child. Complementing the result of (i) and (ii), the effect of microfinance+ will show whether a possible postponement of arranged marriage for girls are going hand in hand with enhanced aspirations concerning educational attainment for girls, and thus going hand in hand with wanting their child to strive for a highly paid job. With the complications concerning "teacher" in mind, the descriptive data is instead combining "teacher or nurse" due to it's one of the most common answered preferred occupations for women while "police or within the military" is combined because of it being one of the most answered preferred occupations for men. If SHG members wish more often for their daughter having an occupation in a traditionally male-dominated labor market should therefore be easier to derive and vice versa. The variable concerning occupation is therefore still of interest, even though the original way of coding would estimate a possible SHG effect more clearly.

4.2 *Sampling method*

This research is based on 145 nonrandom sampled short interviews based on a questionnaire[2], averaging 10 minutes each, with the mothers and fathers in 75 households having a child aged 6 to 16 years. The focus group was SHG membership households accessing microfinance+ while the control group was non-membership households. Interviews were conducted from April

[2] See appendix for questionnaire

through May 2014 in 8 different rural villages[3] in the Theni District of Tamil Nadu, India. Average amount of interviewed households in each village is 9.38 whereas the minimum number of interviewed households in one village is 4 and the maximum is 14. This gives a sample mean of 12.5% per village whereas the sample minimum is 5.34% and maximum is 18.67%.

The households are non-randomly sampled whereas household participation instead is based on accessibility. Parents being home and willing to unconditionally participate in the survey were included; hence participation is based on willingness and presence. Parents with stronger willingness to participate could be more open to new ideas accordingly, or have higher positions within the community and thus feeling confident to participate. Parents being present during daytime could be the ones without a job, the ones not having a regular job, or the ones having their own business and so forth. Consequently, the non-randomly chosen focus group could cause biasedness in the result and have to be considered in the analysis.

The questionnaire was answered individually, thus parents from the same households were separated. The questionnaire was either filled in by me or one of the staff at RTUs Rural Development Department. Meanwhile, the questions were asked orally by me and a translator was used for translating from Tamil (main language in Tamil Nadu) to English. Hence the fundamental meaning of the questions and the answers had a risk of disappearing due to translation. Dewalt & Dewalt (2011) stress in their book *Participant Observation: A guide for fieldworkers* about the importance to "talk the talk and walk the walk" while doing fieldwork. Language is seen as a part of the culture itself and important information could therefore be missed when using a translator. Part of answers that would be interesting for the researcher but not for the translator itself due to it being normalized for him or her could therefore be chosen, consciously or not, to no be translated. Nonetheless, if the answer would be completely translated, some words could not be directly transferable or have a different meaning. By using a short easy-translated questionnaire with open-ended questions which are formed to be answered shortly, some of the difficulties of conducting data during a short time period were hoped to be minimized.

In the end, the non-random sampling of households has to be discussed when analyzing the result. The result should as well be viewed as a local evaluation of a microfinance+ project rather than a general result applicable on other contexts. Consequently, a larger scale research is needed for making the result more reliable whereas the result of this thesis can be seen as a pilot study giving a small contribution of a possible way of measuring the effect of microfinance+ on an empowerment within rather than an observable outcome

[3] See appendix for details about villages

5 RESULTS WITH A DISCUSSION

The following section presents the descriptive statistics for the participating parents and their children together with the econometric estimations concerning parental aspiration for educational attainment and age of marriage.

5.1 *The parents*

THE HOUSEHOLDS AND CASTE

	n ~	Backward Caste (BC)	Most Backward Castes (MBC)	Scheduled Tribes (ST)	Scheduled Caste (SC)
Total percentage (%)					
Fathers	71	25.35	45.07	14.08	15.49
Mothers	74	29.73	41.89	9.46	18.92
Percentage (%) among non-members					
Fathers	21	38.10	33.33	–	28.57
Mothers	23	47.83	17.39	–	34.78
Percentage (%) among SHG members					
Fathers	50	20.00	50.00	20.00	10.00
Mothers	51	21.57	52.94	13.73	11.76

Table 1. Participating households divided by caste.

Table 1 presents the sample group divided by membership and caste. BC and MBC constitutes 71.62% of the sample group and are together defined as Other Backward Classes which class constitutes 41-52% of the total population in India (Times, 2006). ST and SC are historically known as Dalits and known to be at the bottom of the social hierarchy in India. Total population of ST is approximately 8% and 16% for SC respectively (MHA, 2013). All castes in the sample group are defined as socially and educationally disempowered classes by birth. BC appears to have the highest average educational level of 8.56 years with an average annual income of $7,429 whereas SC appears to have the lowest educational level of 4.24 years with an average annual income of $4,619.

Table 2 presents the sample groups average household characteristics. In overall, the sample group is homogeneous among SHG member and non-members. The most striking differences appear in the three last columns; SHG mothers have a significantly higher literacy rate in spite being slightly less educated whereas access to education through a SHG membership is the most reasonable explanation. However, SHG fathers are less educated than non-members whereas the correlation between father's educational level and SHG membership is slightly negative (−0.108), hence wife's married to men with lower education tend to more often be members in SHGs. Continuing, member households earn less on average despite their 10.5%[4] higher engagement in IGAs among mothers while non-member households averagely earn 21.5% more each year while the mothers in these households are working less. Accordingly the correlation between households' annual income and mothers engagement in IGA is slightly negative among both members (− 0.106) and non-members (−0.367) meaning a higher annual income decreases with mothers SHG membership. The negative correlation is stronger for non-member households' whom are as well earning more annually whereas it can here be discussed whether one reason for why mothers initially engage in IGAs is only when it's financially

[4] Calculated using mothers and fathers jointly average.

THE HOUSEHOLDS

	n ~	Age (years)	Age when married (years)	Children (all ages)	Children (6-16 years)	Education (years)	Literacy rate (%)	IGA* rate (%)	Households annual income ($)
Total mean and SDs									
Fathers	71	40.57	25.53	2.45	1.48	6.05	68.57	98.57	5,300
		(7.68)	(3.77)	(0.88)	(0.62)	(3.67)			(2,835)
Mothers	74	32.77	18.93	2.50	1.48	5.32	64.85	81.08	5,308
		(5.50)	(2.51)	(0.85)	(0.62)	(4.25)			(2,751)
Mean and SDs among non-members									
Fathers	21	40.05	26.29	2.33	1.49	6.95	71.43	100	6,075
		(10.00)	(3.66)	(0.57)	(0.61)	(3.32)			(2,434)
Mothers	23	31.65	19.35	2.38	1.46	5.70	56.52	73.91	5.705
		(6.13)	(3.05)	(0.57)	(0.60)	(4.43)			(2,644)
Mean and SDs among SHG members									
Fathers	50	40.80	25.20	2.50	1.47	5.65	67.35	97.96	4,968
		(6.56)	(3.80)	(0.97)	(0.63)	(3.78)			(2,835)
Mothers	51	33.28	18.75	2.57	1.48	5.16	68.63	84.41	4,732
		(5.19)	(2.24)	(0.94)	(0.62)	(4.21)			(2,985)

Table 2. Descriptive statistics for the participating households. *Income Generating Activity

needed. The correlation between households' annual income and SHG membership is as well slightly negative (− 0.157) meaning with a higher income the fewer mothers engage in a SHG, which further stresses the evidence that mothers initially engage in IGAs only when it's financially needed.

The marriage status among participating parents is 97.57% being presently married while the non-married have all once been married but are presently widow or single-parent. In all cases the presently non-married are mothers. The magnitude of SHG fathers (*n*~49), whom have been married under the age of 18 years and thus being arranged an illegal child marriage, is 2.04% while the amount of SHG mothers (*n*~51), whom have been arranged an illegal child marriage is 31.37%. The magnitude of non-member fathers, whom have been married under the age of 18 years and thus being arranged an illegal child marriage, is 4.76% (*n*~21), while the amount of non-member mothers whom have been arranged an illegal child marriage is 13.05% (*n*~23). Evidently, twice as many SHG mothers have been arranged an illegal child marriage compared to non-member mothers.

The correlation between parents' age of marriage and educational attainment is in overall slightly positive (0.1722), meaning parents' tend to marry later when being educated longer. However, among the mothers *per se* is the correlation weaker (0.0895) whereas among the fathers is the correlation slightly stronger (0.2193). Education has postponed marriage for fathers accordingly. Education is however strongly correlated with engagement in IGA among fathers (0.4337) which is most probably explaining the postponement of marriage rather than the education itself. The correlation between the very same variables among mothers are close no none (− 0.0818). Education does not lead to an engagement in IGA as much for the mothers as for fathers which most probably is explained by existing gender norms concerning who is expected to work and who is expected to take care of the family.

Number of households being a member in a SHG is 69.29% whereas 30.71% is a non-member. Average number of members in each SHG is 15.21. The reason for why households

chosen to become a SHG member is in 65.52% of the cases due to mere financial issues such as "increase savings", "poverty", "avoid moneylenders" etc. The other 34.48% of the members referred to non-financial cases such as "increase awareness of health" and "improve studies for the children". The magnitude of members taken a loan through the SHG is 79.21% with a loan average of 16 047 INR ($993 USD PPP)[5] whereas the minimum sum is 2000 INR ($124 USD PPP) and the maximum sum is 30 000 INR ($1,856 USD PPP). In relation to the sample group's average annual local earnings, the minimum loan is 2.54% and the maximum loan is 38% respectively. The loan was in 48.78% of the cases used for Income Generating Activities (IGAs), 19.51% was used for family expenses, 9.76% was used for paying the fee for private school for their children, 9.76% was used for house reparations, 7.32% was used in connection to health issues such as paying hospital bills, and 4.88% was used for other things such as purchase of gold and to cover extra expenses during festivals. Examples of IGAs are purchase of cow and necessities for improving households' agriculture. The correlation between IGA and SHG mothers taking a loan is close to none (0.0586) whereas the correlation between IGA and the size of the loan is close to none (−0.0523) respectively. The correlation between IGA and SHG fathers whose wife's are taking a loan is close to none (−0.0777) whereas the correlation between IGA and the size of the loan is close to none (0.0180) respectively. Hence engagement in IGA for mothers and fathers can neither be explained by the loan itself nor the size of the loan.

5.2 *The children*

THE CHILDREN

				Parent wish the child to complete 12th grade or higher (%)		Age parent wish child to marry (years)	
	n ~	Age (years)	School Enrollment (%)	*Father*	*Mother*	*Father*	*Mother*
Total percentage or mean and SDs							
Sons	129	11.16	100	98.33	100	26.22	26.30
		(3.43)				(2.73)	(2.36)
Daughters	118	11.38	97.41	92.73	96.61	22.84	23.07
		(3.58)				(3.25)	(3.07)
Percentage or mean and SDs among non-members							
Sons	33	9.88	100	93.33	100	25.93	25.94
		(3.46)				(2.31)	(2.82)
Daughters	43	10.28	97.67	90.91	100	21.36	22.33
		(3.49)				(2.85)	(3.47)
Percentage or mean and SDs among SHG members							
Sons	96	11.59	100	100	100	26.31	26.43
		(3.32)				(2.88)	(2.18)
Daughters	75	12.01	97.26	93.94	94.74	23.77	23.49
		(3.49)				(3.17)	(2.79)

Table 3. Descriptive statistics for the children of the participating households, and parental aspiration concerning educational attainment and age of marriage.

Table 3 presents the descriptive statistics for the children of the household together with the average parental aspirations concerning educational attainment and age of marriage. SHG children are slightly older compared to non-member children whereas the school enrollment are in overall 100% for the sons and slightly less for daughters. Parental aspirations for future educational attainment are in overall high. Non-member fathers wish their daughters and sons to complete 12^{th} grade or higher in 90.91% of the cases and 93.33% respectively, which are the lowest found aspirations concerning education. SHG fathers have slightly higher aspirations for their children. Mothers have in overall high aspirations concerning future educational attainment. Parental aspirations concerning age of marriage are in overall higher among SHG members compared to non-members. The marriage gender gap between daughters and sons among non-member fathers is 4.57 years and among SHG fathers it is 2.54 years, hence the gender gap has decreased by 44.42%. The gender gap among non-member mothers is 3.61 years and among SHG mothers 2.94 years, hence the gender gap has decreased by 18.56%. Conclusively, the SHG effect on fathers tends to be stronger compared to SHG mothers based on the mere statistics.

Table 4 presents the results of parental aspiration concerning future occupation. The gender gap for the aspiration to be "teacher or nurse" is for non-member fathers 24.77% and for non-member mothers 30.75%, and for SHG fathers 19.27% and SHG mothers 35.90%. Accordingly, the difference in gender gap for wanting their child to have the female dominated occupation "teacher or nurse" has decreased by 22% among fathers and increased by 17% among mothers.

Percentage (%) *n* ~ children		Doctor	Teacher or Nurse	Military or Police	Engineer	Public Sector	Any job	Don´t know	Own choice	Other
Total sample										
Fathers (*n* ~ 117)	Sons	14.52	6.45	19.35	14.52	11.29	1.61	9.68	1.61	20.97
	Daughters	10.91	29.10	7.27	7.27	5.45	9.09	5.45	5.45	20.00
Mothers (*n* ~ 126)	Sons	12.12	3.03	24.24	21.21	3.03	1.52	16.67	1.52	16.67
	Daughters	20.00	38.33	10.00	11.67	0.00	0.00	6.67	0.00	13.33
SHG members										
Fathers (*n* ~ 81)	Sons	10.64	4.26	19.15	12.77	14.89	2.13	10.64	2.13	23.40
	Daughters	14.71	23.53	11.76	8.82	2.94	5.88	2.94	5.88	23.53
Mothers (*n* ~ 87)	Sons	10.42	0.00	22.92	18.75	4.17	2.08	22.92	2.08	16.67
	Daughters	15.38	35.90	15.38	12.82	0.00	0.00	10.26	0.00	10.26
Non-members										
Fathers (*n* ~ 36)	Sons	26.67	13.33	20.00	20.00	0.00	0.00	6.67	0.00	13.33
	Daughters	4.76	38.10	0.00	4.76	9.52	14.29	9.52	4.76	14.29
Mothers (*n* ~ 39)	Sons	16.67	11.11	27.78	27.78	0.00	0.00	0.00	0.00	16.67
	Daughters	28.57	42.86	0.00	9.52	0.00	0.00	4.76	0.00	14.29

Table 4. Parental aspiration concerning their children's future profession.

The gender gap for the aspiration to work within the male dominated occupation "military or police" is 20% for non-member fathers and 27.78% for mothers, and is 7.39% for SHG fathers and 7.54% for SHG mothers. Accordingly, the difference in gap for wanting their child to have the men dominated occupation has decreased 63% among fathers and likewise among mothers by 73%.

In overall, the aspiration concerning the child's future occupation tend to be less influenced by gender when being a SHG member whereas it seems as gender norms concerning future occupation is stronger for sons than for daughters. This is because fewer sons are wished to work within female dominated occupation compared to daughters entering a male dominating labor market.

5.3 *The estimation of microfinance+*

Table 5 presents the OLS regression result for the effect of microfinance+ on parental aspiration. One observation equals one parental aspiration for a child being between 6-16 years old; meaning one parent having two children within the age limit gives thus two observations.

The first column shows that a SHG membership increases age father wishes child to marry with 2.825 ($P < 0.05$, *t* test). If the child being a daughter decreases age father wishes child to marry with 3.645 years ($P < 0.01$, *t* test). Controlling variables showing a statistically significant effect is belonging to the caste Most Backward Classes (MBC) ($P < 0.1$, *t* test), father's own educational level ($P < 0.05$, *t* test) and father's own age of marriage ($P < 0.05$, *t* test). The null hypothesis H_0: $\beta_1 = 0$ against H_1: $\beta_1 \neq 0$ can thus be rejected at a 5 % significance level. Microfinance+ is affecting age father wishes child to marry accordingly.

The second column shows that a SHG membership has no statistically significant effect on age mother wishes child to marry ($P > 0.1$, *t* test). The only controlling variable showing a statistically significant effect is the gender of the child, which decreases the age mother wishes child to marry with 3.344 years ($P < 0.01$, *t* test). The null hypothesis H_0: $\beta_1 = 0$ against H_1: $\beta_1 \neq 0$ cannot be rejected at the chosen 10% significance level. Microfinance+ is not affecting age mother wishes child to marry accordingly.

The third and fourth column shows that SHG membership has no statistically significant effect on child's educational attainment, neither among the fathers nor among the mothers. The controlling variables showing a statistically significant effect among father's are age of child ($P < 0.01$, *t* test), belonging to the caste Scheduled Tribe (ST) ($P < 0.01$, *t* test) and the caste Scheduled Caste (SC) ($P < 0.1$, *t* test), and size of SHG loan ($P < 0.1$, *t* test). Only belonging to ST ($P < 0.01$, *t* test) appear to be significant among mothers. However, the sample has a very low variance whereas the econometric estimation should not be considered as a significant result.

THE ECONOMETRIC ESTIMATION OF MICROFINANCE+

VARIABLES	(1) Age father wishes child to marry	(2) Age mother wishes child to marry	(3) Father wishes child to complete 12th grade or <	(4) Mother wishes child to complete 12th grade or <
SHG	2.825**	0.765	0.0591	0.0304
	(1.277)	(1.345)	(0.0959)	(0.0468)
Daughter	-3.645***	-3.344***	-0.0124	-0.0244
	(0.532)	(0.564)	(0.0399)	(0.0196)
Age of child	-0.0772	-0.0532	-0.0197***	0.000127
	(0.0810)	(0.0902)	(0.00608)	(0.00314)
MBC	1.177*	-0.597	-0.0881*	-0.0193
	(0.656)	(0.690)	(0.0493)	(0.0240)
ST	0.286		-0.433***	-0.994***
	(1.606)		(0.121)	(0.107)
SC	0.0833	-1.147	-0.120*	0.0113
	(0.836)	(0.804)	(0.0627)	(0.0280)
P^ education	0.304**	0.0650	-0.00733	0.000438
	(0.122)	(0.138)	(0.00915)	(0.00480)
P literate	-0.122	0.425	-0.0215	0.00893
	(0.932)	(1.147)	(0.0700)	(0.0399)
P no. of children	-0.0915	0.0525	-0.0245	-0.0194
	(0.336)	(0.366)	(0.0252)	(0.0128)
P age of marriage	0.149**	0.0965	-0.00403	0.00151
	(0.0720)	(0.111)	(0.00541)	(0.00387)
Income ($)	0.000136	2.21e-05	-2.07e-06	3.21e-06
	(0.000101)	(9.94e-05)	(7.55e-06)	(3.46e-06)
SHG loan	-1.493	-0.775	-0.0919	-0.0456
	(1.410)	(1.418)	(0.106)	(0.0494)
SHG loan ($)	0.000122	0.000361	3.38e-05*	4.48e-06
	(0.000250)	(0.000262)	(1.88e-05)	(9.11e-06)
Constant	19.35***	24.24***	1.461***	1.006***
	(2.466)	(2.718)	(0.185)	(0.0946)
Observations	101	112	101	113
R-squared	0.536	0.336	0.241	0.535

Table 5. Estimated equations for SHG membership on parental aspiration. Standard errors in parentheses. ^parent. *** p<0.01, ** p<0.05, * p<0.1

6 ANALYSIS

Following section analyses the result and its relation to the theoretical framework of how to understand it as women empowerment.

Distribution of (a) resources is channeled through a variety of institutions and processes and one's access to resources will be determined by the rules, norms and practices which are embedded within these institutional domains. These institutional rules, norms and practices assign some actors authority over others regarding how and to whom certain resources should be allocated to. In India, the father is traditionally the head of the household and is thus expected to have the authority over the households' resources; partly due to the husband being the one with an income. RTU are reallocating the resources within the household by putting the money and the new information in the hands of the women and is thus changing the previously allocation structure by giving the women access to what previously has been denied them. Hence empowerment occurs when it entails a change in the terms on which resources are acquired as much as an increase in access to the same acquired resources.

The descriptive statistics for parental aspiration concerning occupation parent wishes child to have in the future shows a 22% decrease in the difference in gender gap for wanting their child to have the female dominated occupation "teacher or nurse" among fathers and a increase by 17% among mothers. The difference in gender gap for wanting their child to have the men dominated occupation "police or within the military" has decreased 63% among fathers and likewise among mothers by 73%. In overall, the aspiration concerning the child's future occupation tend to be less influenced by gender when being a SHG member whereas it seems as gender norms concerning future occupation is stronger for sons than for daughters. This is because fewer sons are wished to work within female dominated occupation compared to daughters entering a male dominating labor market. One possible explanation could be that female professions are considered low paid and classified as unskilled work and is thus not wished for among sons. The results for children's wished future occupation are in overall difficult to derive whereas a different coding of the occupation variable is needed.

Resources form the conditions under which choices are made and can be material, social or human. The econometric estimation shows no statistically significant result for increased material resources through SHG loan on parental aspiration. The correlation between SHG loan and IGA is further close to zero. Mere material resources appear to not affect parental aspiration and are therefore consistent with earlier research on finding a causal link between economic development and women empowerment.

The econometric estimation shows a statistically significant result for increased human resources through SHG membership on parental aspiration concerning age father wishes child to marry. No significant results among mothers respectively. Access to information and education for the mothers appear to influence their husbands, hence not primarily the SHG members themselves. The insignificant effect among mothers can be explained by their higher intercept, meaning they initially have higher aspirations compared to their husbands. One possible explanation for why SHG fathers appear to be open-minded towards the new ideas coming from

microfinance+ could be that the fathers are the ones wanting their wife to become a member. In India, men are valued higher than women and their opinion respectively. As earlier presented, SHG households tend to have lower educated fathers with lower annual incomes despite having mothers engaging in IGA more often. Accordingly, mothers tend to become a SHG member when it's financially needed. Hence, fathers wanting their wives to become a member is a potential explanation for the strong estimated effect of microfinance+ on age father wishes child to marry, since they traditionally are the ones making financial decisions and thus could be the ones initially making the decision of membership. The effect is positive and should be considered as a positive outcome of microfinance+ on parental aspiration concerning age father wishes child to marry.

Other variables showing a statistically significant effect on age father's wishes child to marry are gender of child, belonging to MBC, parent's educational level and parent's age of marriage. The effect appears to be strong among the fathers belonging to the caste Most Backward Classes (MBC). However, no clear explanation is found for why this is except for they being the biggest sample group. The significance of parent's own educational level is consistent with earlier research on finding a causal link between social decision-making and education. A father with 6 years of education increases age of marriage with 1.824 years, which in comparison to the SHG effect of 2.825 years, shows similar results. Education clearly matter for father's aspiration, independently how they receive it. Continuing, father's own age of marriage appear to positively affect their aspiration. Hence a father's own age of marriage appear to influence his parental aspiration concerning his children's age of marriage, whereas a recognition factor appears to be present.

The econometric estimation shows no statistically significant result for increased human resources through SHG membership on parental aspiration concerning child's future educational attainment, neither among the fathers nor among the mothers. The variable capturing parent's aspiration concerning child's future educational attainment is in need of a different coding. It was here coded as 1 if the parent wished their child to complete 12^{th} grade or higher, which capture whether parents wish their child to complete secondary school (12^{th} grade) but it does not capture if the parent wish their child to attain higher studies. Consequently, educational attainment would be easier to analyze if coded by years. For example, higher studies could be coded 12 +3 equal to a bachelor degree and 12 + 5 equal to a master degree for trying to capture whether parents' wishes their child to attain higher studies than 12^{th} grade or not. Chosen amount of years can be adjusted for an Indian context.

Lastly, an increased age of marriage among daughters can have positive effects on the child's future. A later marriage will postpone her moving to her husband's family, give her more time to attain higher studies and thus give her a greater possibility to get a more highly ranked profession. Accordingly, this could strengthen her power within, known as (b) agency. The econometric estimation for parental aspiration for child's educational attainment is insignificant due to low sample variance. A correlation between the two dependent variables age of marriage and educational attainment can therefore not be estimated for among the children. However, the

correlation between parents' age of marriage and educational attainment is, as earlier presented, slightly positive (0.1722) i.e. parents' tend to marry later when being educated longer. However, among the mothers *per se* is the correlation close to none whereas among the fathers is the correlation slightly stronger (0.2193). Education has postponed marriage for fathers accordingly. Education is however strongly correlated with engagement in IGA among fathers (0.4337) which is most probably explaining the postponement of marriage rather than the education itself. The correlation between the very same variables among mothers are close no none (-0.0818). Education does not lead to an engagement in IGA as much for the mothers as for fathers which most probably is explained by existing gender norms concerning who is expected to work and who is expected to take care of the family. Changing social and cultural gender norms is needed as a crucial first step when striving for empowering women and their possible (c) achievements i.e. ways of being and doing as a women within a given social context, which is consistent with earlier research on finding a causal link between economic development and women empowerment. For this, education is evidently needed rather than access to microfinance.

7 CRITIQUES

The thesis is based on a nonrandom sample which can cause missing data and thus cause a bias or inconsistency in the OLS estimation. The Gauss-Markov assumption of random sampling is therefore violated and needs to be taken into account when analyzing the OLS estimation.

The nonrandom sampling is based on accessibility of the participants. Parents being present during daytime and willing to participate could be the ones without a job, the ones not having a regular job, or the ones having their own business and so forth. As well parents with stronger willingness to participate could be more open to new ideas, be more familiar with and supportive of RTU and their work, be less suspicious to talk with me being a stranger from abroad, or have higher positions within the community and thus feeling confident to participate. Parents not being present during daytime or not willing to participate could be the ones with a seasonal job, the ones not being familiar with or supportive of RTU and their work, be more suspicious to talk with me being a stranger from abroad or have lower positions within the community and not feeling confident to participate accordingly.

The parents that are not included in the survey are consequently the ones causing missing data and a possible biasedness of the OLS estimation. The Gauss-Markov assumption of random sampling is therefore violated and the model suffers from endogeneity problems. Consequently, the econometric estimation might be biased and needs to be considered when reading the result.

8 CONCLUSIONS

Whether microfinance+ will be more efficient to spark women empowerment or not in comparison to microfinance is unknown. Accordingly, the objective of this thesis is whether women accessing microfinance+ affects her and her husband's aspiration concerning their child's

future age of marriage, preferred occupation and educational attainment. Women empowerment is understood as a "power within" (Kabeer, 1999), which is why aspiration is measured instead of an observable behavior.

By measuring the effect of a Self Help Group (SHG) project in Tamil Nadu, India, it is shown that microfinance+ does affect fathers' aspiration for their children's future age of marriage. Using one survey of 75 households having children (n~128) aged 6 to 16 years in 8 villages, it´s shown that the microfinance+ effect on "age parents' wish their child to marry" increases by almost 3 years among fathers. The father's own educational level increases the age he wishes his child to marry by little less than 4 months per year in school. Education appears to have a significant effect on parental aspiration, independently on how it is gained. No evidence was found between microfinance alone and parental aspiration. The result further shows a significantly decreased gender gap within the male dominated labor market. No clear evidence was found concerning changes in parental aspiration on educational attainment.

The OLS estimation is predicted to be biased due to the nonrandom sampling, most probably caused by parents' own educational level. The model suffers from endogeneity problems accordingly due to the nonrandom sampling causing measurement errors.

It is suggested for future research to code the variable for parental aspiration on the child's educational attainment differently. It was here coded as 1 if the parent wished their child to complete 12^{th} grade or higher, which capture whether parents wish their child to complete secondary school (12^{th} grade) but it does not capture if the parent wish their child to attain higher studies. Consequently, educational attainment would be easier to analyze if coded by years. For example, higher studies could be coded 12 +3 equal to a bachelor degree and 12 + 5 equal to a master degree for trying to capture whether parents' wishes their child to attain higher studies than 12^{th} grade or not. Chosen amount of years can be adjusted for an Indian context. Lastly, it is suggested to have a random sampling of data to avoid measurement errors and as well controlling for parents education before doing an OLS estimation to more clearly measure a *ceteris paribus* effect of microfinance+ on parental aspiration. For this is a bigger sample needed.

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QUESTIONNAIRE FOR SELF-HELP GROUP

In cooperation with *Reaching the Unreached* (RTU) in the village of G.Kallupatti, Tamil Nadu, South India.
This information is strictly confidental and is to be used for statistically purposes only.

INFORMATION

Name of interviewer _____ *Date* _____

Name of researcher Alexandra Sundberg *Time* _____

Department of Economics
School of Business, Economics and Law
University of Gothenburg
Sweden

Village _____

INFORMATION ABOUT THE MOTHER / FATHER

A Household no. _____ / Mother / Father

B Age _____ / Age when married _____

C Religion Hindu / Other _____

D Caste _____

E Are you engaged in an Income Generating Activity? Yes / No

F Households annual net income _____

G Total years in school _____

H Can you read? Yes / Some / No

I No. of daughters _____ / No. of sons _____

MOTHER

1 ***If respondent is the mother,*** are you engaged in a SHG? Yes / No

1.1 If yes, name of SHG _____

years in SHG _____

no. of people in SHG _____

1.2 Why did you join a SHG? _____

_____

_____

1.3 Have you taken a loan through your SHG? Yes / No

1.4 If yes, how much? _____

used for? _____

Questionnaire page 2

Household no. ____________ / Mother / Father

1 **Child no.** ___________ Daughter / Son

2 Age______________________________

3 In school? Yes / No *If yes*, grade ____________

4 What is the highest level of education you want for this child? ____________

5 What occupation would you like for this child to have at the age of 25? ____________

6 At what age would you like for this child to get married? ____________

Household no. ____________ / Mother / Father

1 **Child no.** ___________ Daughter / Son

2 Age______________________________

3 In school? Yes / No *If yes*, grade ____________

4 What is the highest level of education you want for this child? ____________

5 What occupation would you like for this child to have at the age of 25? ____________

6 At what age would you like for this child to get married? ____________

Household no. ____________ / Mother / Father

1 **Child no.** ___________ Daughter / Son

2 Age______________________________

3 In school? Yes / No *If yes*, grade ____________

4 What is the highest level of education you want for this child? ____________

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Household no. ____________ / Mother / Father

1 **Child no.** ___________ Daughter / Son

2 Age______________________________

3 In school? Yes / No *If yes*, grade ____________

4 What is the highest level of education you want for this child? ____________

5 What occupation would you like for this child to have at the age of 25? ____________

6 At what age would you like for this child to get married? ____________

10.2 *Villages*
Tamil Nadu, India

n~number of interviewed households in village

1.	Parasuramapuram	(n~5)
2.	G. Meenatchipuram	(n~4)
3.	Koilpuram	(n~12)
4.	Sathakoilpatti	(n~8)
5.	Endapuli	(n~12)
6.	S.K. Nagar	(n~8)
7.	Renganathupuram	(n~12)
8.	Melavadipatti	(n~14)
	Total	(n~75)