ISSN 2348-3156 (Print)
International Journal of Social Science and Humanities Research ISSN 2348-3164 (online)
Vol. 10, Issue 2, pp: (84-93), Month: April - June 2022, Available at: www.researchpublish.com

Gender Differentials in Access to Loans and Effects of the Loans on Households' Livelihood outcomes in Kenya

[1]Jane Wanjiku Wanjihia, [1]Professor Lawrence Njoroge, [3]Professor Leah Wanjama

[1]Ph.D. Candidate, Department of Development Studies, Jomo Kenyatta University of Agriculture and Technology (JKUAT)

[2]Jomo Kenyatta University of Agriculture and Technology

[3]Kenyatta University, Kenya

DOI: https://doi.org/10.5281/zenodo.6483142

Published Date: 25-April-2022

Abstract: **The thrust of this study was to investigate gender differentials in access to loans from Sidian Bank in Kenya, in relation to improvement of livelihoods. The study specifically set out to establish the amounts of money accessed by any one gender from Sidian bank from 2013 to 2019; find out how men and women have utilised the borrowed money from Sidian Bank; investigate the relationship between access and livelihood improvements of households. This study was guided by the capability theoretical approach and the Gender-Related Development Index (GDI). The study adopted mixed method approach, convergent design. The target population was men and women borrowers of Sidian Bank; their spouses; government officials and Sidian Bank staff. The research targeted 324 borrowers, 51 men and 273 women. The researcher used systematic sampling to classify the subjects into men and women as individuals and also as members of joint liability groups. Research was conducted using hybrid questionnaire; semi structured questions consisting of both open and close ended questions, observation schedule and interview guides to collect data. Secondary data was collected from, articles, and websites of microfinance banks and institutions. Quantitative data was analysed using Statistical Program for Social Scientists (SPPS) and presented in simple statistics using graphs, charts, tables, percentages, while qualitative data was reported in prose. The study found out that there was a gender dimension in the amount of loans borrowed from Sidian bank with fewer men than women borrowers but with most men borrowing bigger loans. Differentials in utilisation of loans between men and women were also noted with most women spending their money in the consumables while men invested in income generating projects and permanent investments. The study established that the effects of loans on livelihoods were greatly affected by the structure of a house hold due to different gender roles in households. It concluded that though there are more women borrowers their utilisation of loans led only to temporary livelihood improvements as they mainly did not invest in income generating projects and strained in repayments and sometimes lost household items when they could not repay the loans in time. Men had advantages over women in accessing loans as regulations were discriminative. Stakeholders should make sure that the gender policies in place are considered and reviewed from time to time for example the issue of being guaranteed and signed for by the spouses whether men or women. Lending institutions should give more training to the borrowers for proper utilisation.**

Keywords: **Kenya, Gender, differentials, microfinance, loans, livelihoods.**

1. INTRODUCTION

1.1 Introduction

The main assumption is that enabling poor households' access to credit supports them in establishing small businesses. This, it is assumed would enable them to increase their incomes and eventually improve their livelihoods. This may be measured in terms of economic empowerment and the social aspect of livelihood improvement. Social scientists measure livelihood in terms of parameters such as housing and cleanliness of the house, food security, health, clothing and acquisition of assets. However, these parameters are greatly influenced by access to loans and utilisation patterns. Utilisation of the borrowed money is most likely influenced by the roles assigned to each gender.

There are different types of institutions that offer loans. Microfinance is one of them. Microfinance borrowing is a concept that is accepted worldwide. In Africa there have been a lot of microfinance activities in the last few decades using different models including the Joint Liability Lending (JLL) microfinance program which is the most popular with private MFIs in Kenya, Uganda, Ethiopia and Tanzania [1] Joint liability lending is the sort of microfinance model that is targeted to the presumed poor in society who cannot borrow individually but must borrow within a group of other borrowers. Access in this case is determined by the amount of money one has saved and the household property that group members can guarantee your loan against.

Accessing credit from financial institutions is determined a lot of times by ownership of some property is needed to act collateral. Gender concerns in micro-finance lending relate to this fact. Empirical studies have shown that unless women are specifically targeted, numerous factors hinder them from accessing credit from microfinance institutions [2]. There is the effect of the African patriarchal society.

1.2 Statement of the Problem

Poverty alleviation results to livelihood improvement. Most approaches to poverty alleviation focus on income and subsidy measures; however, there is a growing realization that these measures alone are not sufficient. Although several strategies have been put in place in Kenya, including, microfinance, Women Enterprise Fund and Uwezo Fund, poverty levels seem to remain high. Poverty 'eradication' has been on Kenya's national Agenda since independence. Efforts have been made to address the situation but a lot gender concerns have arisen since accessing to any credit from financial institutions calls for ownership of some property to act as collateral. Due to the nature of the African patriarchal society, women have been disadvantaged in their efforts to improve the livelihoods of the households. According to a report by the government of Kenya, in spite of the high contribution of microfinance to the country's economy, the number of women and men accessing financial resources was low [3].

The situation has changed since 2010 with Micro finance institutions providing US $ 1.5 billion to approximately 1.5 million active borrowers. According to a lot of researches conducted in many countries, the issue of access seems to have been addressed and it is evident that more and more men and women are able to access loans though not at 50:50 basis. It is more disturbing to note that Currently Sidian bank is giving out loans of over six hundred million Kenya Shillings (600,000,000) per year, with 56% of its membership being women. The question is, why then are there disparities in ownership of resources and empowerment between men and women? This study therefore investigated the disparities in the amount of loans borrowed by men and by women which could be the cause of gender skewed empowerment. The study also set to find out whether utilisation of the accessed loans has an effect too.

1.3 Objectives

General objective:

The study investigated differentials in access and utilisation of loan.

Specific objectives:

1. The study set out to establish the amounts of money borrowed by any one gender from Sidian bank for livelihood improvement

2. Find out how men and women have utilised the borrowed money from Sidian Bank in quest of livelihood improvement

3. Investigate the relationship between access and livelihood improvements of households

ISSN 2348-3156 (Print)
International Journal of Social Science and Humanities Research ISSN 2348-3164 (online)
Vol. 10, Issue 2, pp: (84-93), Month: April - June 2022, Available at: www.researchpublish.com

1.4 Theoretical Framework

This study was anchored in the Capability approach and the Gender-related Development Index (GDI) which gave guidance to the study. The capability approach was conceived in the 1980s as an alternative approach to welfare economics [4]. In this approach, Amartya Sen brings together a range of ideas that were previously excluded from (or inadequately formulated in) traditional approaches to the economics of welfare. The core focus of the capability approach is on what individuals are able to do and in this study what individual borrowers are able to do with the loans they access regardless of their gender for the good of their households. The approach has five folds [5]. The study focused on the second fold which is is the fact that the approach views poverty from deprivation of capability point of view. Looking at access of loans, you find that women are disadvantaged in access to loans due to various reasons and circumstances.

Formulations of capability have two parts: functioning and opportunity freedom-the substantive freedom to pursue different functioning combinations [6]. Gender is a construction of the society; the society therefore has a lot of influence on the choices one makes regardless of their capability. In this study, 'capabilities' was be examined from the point of view of the ability for either men or women to access loans and achieve freedom of utilisation of loans considering the options that each of them has individually. Credit is one of the many livelihood strategies. Its effect on livelihood improvement is influenced by is cultural norms. The amount of money given is not based on capabilities but on structures.

2. LITERATURE REVIEW

Access of loans by Women and Men

A substantial literature exists on household finance in developing countries, but less is known about the borrowing behaviour of men and women within households: how much they borrow and for what purpose (e.g., to invest in an asset or pay for an expense), where they borrow from, decisions about taking and using credit, and the correlates of individual debt and particular types of debt including asset debt [7]. For any bank to loan a person, they have to hold an account with them. According to Global Findex Data [8], 47 per cent of women and 55 per cent of men worldwide have an account at a formal financial institution, whether a bank, credit union, co-operative, post office or microfinance institution. The gender gap varies widely across economies and regions [9].

There are different types of loans including investment and utility loans. The amount of loan borrowed by any one gender is determined by the type of loan and an analysis of expense loans reveals some different patterns of borrowing. In Ecuador, women alone hold 42 per cent of expense loans, while men alone hold 36 per cent and couples hold 20 per cent [8]. The mean outstanding amount of couples' expense loans ($898) is greater, however, than the mean outstanding amount of expense loans held by males alone ($757) and females alone ($626) [8]. In Ghana, men alone are responsible for 48 per cent of expense loans compared to women alone, who are responsible for 44 per cent, followed by joint others who have 5 per cent. Yet, joint others have the largest mean expense loans ($374), followed by males alone ($365) and females alone ($158). In Karnataka, the pattern of expense loans is different: men alone and couples hold the majority (47 per cent and 29 per cent, respectively) followed by women alone and joint others (15 per cent and 9 per cent, respectively) [10]. The amount of mean debt outstanding is greatest for joint others, followed by couples and men alone.

According to [11], many low-income people in industrial countries lack access to financial services, also with pervasive negative effects on society and the economy. [12] Claim that access to formal payment and savings services may reach universality as economies develop, and point out that not everyone should qualify for credit, citing the sub-prime crisis in the United States as an example of the consequences of encouraging low-income households to borrow beyond their repayment capacity [12]. However it is difficult to state the exact amount of money borrowed by either men or women because of lack of documentation in the informal loans. In Kenya, South Africa and the United Republic of Tanzania, women are more likely to use informal financial services than men, but the reverse is the case in Namibia and Rwanda [13]. The use of formal banking services is correlated with higher income and education and with being in formal wage and self-employment [8]. There are a lot of informal money lending institutions, organisations and individuals. Although money lenders have been depicted as loan sharks who take advantage of the poor by charging extremely high interest rates, they actually provide a valuable service to those requiring quick money with flexible repayment terms [14]. Some research even suggests that MFIs increase the demand for Money lender credit [15]; [16]. In Kenya money informal lenders advertise their businesses in the print media and displaying posters for example "loan on items" [17]. [16] Estimate that, in developed countries, 81% of adults have access to a bank and there are 3.2 accounts per adult. In developing countries only 28% of people have access to a bank and there are only about 0.9 accounts per adult [18].

There are different factors influencing the amount of loans borrowed by men and women. Tight monetary policies, high real rates of interest and deregulated financial markets affect the supply of credit in the economy, including its availability to less privileged economic actors [19]. The same survey continues to state that monetary policies are likely to have gender-differentiated impacts through the labour market [19]. Men access unsecured loans more easily than women [8]. Women often have fewer opportunities than men to gain access to credit for various reasons, including lack of collateral, an unwillingness to accept household assets as collateral and negative perceptions of female entrepreneurs by loan officers [20];[21] By helping the whole family make progress, you can lift a family out of poverty permanently through more income, savings, capital, improved living conditions, and education [22] .The major commercial banks demand collateral from their prospective borrowers which are not limited to land title deeds and motor vehicle log books. Due to cultural gender issues, women in most cases do not possess assets that qualify them to get these loans. These include but are not limited to patriarchy, subscription to religious beliefs, low levels of education and gender roles assigned to them.

Differentials in the amount of loans accessed are evident in many parts of the World, for instance [18] in a study conducted in South West Uganda it was observed that there are significant differences in access to savings from formal institutions, credit unions, savings associations, microfinance institutions, savings and credit cooperative organizations, and informal savings groups by age, gender, marital status, and education of the household head; household size; rural or urban location of the household; type of shocks experienced by the household; type and value of assets; and main income source of the household. In this study, it was noted that there were differentials in access based on age, level of education and gender [18]. Access to loans by people with low education could have an effect on utilisation. On the other hand, according to Mayoux and Haiti (2009), it may be harder for women to build up credit histories, because either they do not have the sort of financial history required (e.g. they may not pay domestic bills) or their credit history may be linked to that of other family members, particularly husbands. In a study that reflected on the strengths and weaknesses of approaches taken by three NGOs in Bangladesh and one NGO based in Bihar in India considered the provision of microfinance to women to be a major strategy for empowering women [23].

Assets can be used as collateral in acquisition of credit hence disadvantaging women in accessing credit in major financial institutions like banks. It was noted of India that not only are assets unequally distributed between rich and poor, they are also unequally distributed between men and women, nationally as well as within communities and households [24];[25];[26]. In a study in Karnataka, India, [26] found out that for all major asset categories except jewellery, women were less likely to own assets. A survey conducted on gender-asset gaps showed that men owned more assets than women in Ghana, Kenya, Northern Nigeria, Mexico, and urban Guatemala [25]. In Uganda, research conducted by showed that household characteristics have a significant effect on financial access in Uganda and suggest that rural households, with less than six members, and those households whose heads are between the ages of 15-24, 65 or older, are female, not married, have little or no education, have lower asset value, or depend mainly on subsistence farming income are the households that are more financially excluded. Research has shown that when it comes to the business world, gender differences in credit access results from discrimination and structural differences between male- and female-owned firms [8]. This is confirmed by a research conducted on Italian firms which indicates that there are gender differences in credit access [8]. According to [27] UK banks discriminate against pregnant women and women on maternity leave; European banks discriminate against women entrepreneurs and that there is evidence of gender stereotyping. Grameen Foundation, the pioneer of micro loan lending was founded to fill this gap. BRAC started in Bangladesh and has successfully spread out to many parts of the World [29]. This foundation empowered the world's poorest people, especially women, to escape poverty through access to financial services, information, and viable business opportunities. For example, looking at access to resources versus control over the same resources for women in Uganda, [29] Arunachalam, (2007) reports that while microloans lending has done well in terms of extending access to financial services to low-income women; its focus has largely been in terms of delivery of credit.

Women's equal access to and control over economic and financial resources is critical for the achievement of gender equality and empowerment of women and for equitable and sustainable economic growth and development [19]. Thus access to financial services – especially credit and insurance – enhances livelihood opportunities and empowers women and marginalised groups to take charge of their lives as well as improve their social and economic equity [30]. This is why financial inclusion is considered to be critical for achieving inclusive growth and poverty reduction. In Ghana, women alone hold 53 per cent of asset loans, compared to 43 per cent for men alone and 2 per cent for couples. Similar to Ecuador, however, couples have a greater mean burden of asset debt than either males or females alone ($1,135 versus $1,073 for men and $312 for women). The pattern is quite different in Karnataka, where men alone hold 55 per cent of asset loans, compared to women who hold 13 per cent and couples who hold 23 per cent [27].

ISSN 2348-3156 (Print)
International Journal of Social Science and Humanities Research ISSN 2348-3164 (online)
Vol. 10, Issue 2, pp: (84-93), Month: April - June 2022, Available at: www.researchpublish.com

From the above literature, it is evident that for a long time there has a gender gap in access to loans. Grameen Foundation, the pioneer of micro loan lending was founded to fill this gap. This foundation empowered the world's poorest people, especially women, to escape poverty through access to financial services, information, and viable business opportunities. For example, looking at access to resources versus control over the same resources for women in Uganda, [29] reports that while microloans lending has done well in terms of extending access to financial services to low-income women; its focus has largely been in terms of delivery of credit.

In an effort to bridge the gap in access, some of the lending institutions in Kenya have been designed to avail credit to for example; Kenya Entrepreneurship Empowerment Foundation (KEEF) has implemented two programs: the Women Entrepreneurship Empowerment Program and the Youth Village Development Initiative [31]. Together these programs work to empower women and youth in rural areas with limited access to financial services. More than 80 percent of KEEF's clients live in rural areas. The institution lends to individuals in solidarity groups, and as of June 2010 it had a total loan portfolio of 33,321,467 KES (416, 5183 USD), 6,014 clients, and 4,841 active borrowers. It has been growing at a rapid rate: In three years KEEF has tripled its number of clients each year [33]. There have been other interventions by private investors and other organisations in a bid to improve on women's access to loans.

Kenya, like many developing countries, has struggled to provide financial services to the poor. [17] Estimate that, in developed countries, 81% of adults have access to a bank and there are 3.2 accounts per adult. However, in developing countries only 28% of people have access to a bank and there are only about 0.9 accounts per adult [18]. For any bank to loan a person, they have to hold an account with them. These reports do not give gender segregated data and therefore we cannot tell access to credit by either gender. Access to finance is a key issue for women. Accessing credit, particularly for starting an enterprise, is one of the major constraints faced by women entrepreneurs. Women often have fewer opportunities than men to gain access to credit for various reasons, including lack of collateral, an unwillingness to accept household assets as collateral and negative perceptions of female entrepreneurs by loan officers [32]. [20] [21]. The major commercial banks will demand collateral from their prospective borrowers. Due to cultural gender issues, women in most cases do not possess assets that qualify them to get these loans. These include but are not limited to land title deeds and motor vehicle log books.

Writing on Small and Medium Enterprises (SMEs) [34] stated that, a further complication faced by entrepreneurs trying to access finance is that banks are not set up to cope with small loans and gives an example, of only 59% of small and medium enterprises who had any credit products as compared to 82% for large firms. Micro finance institutions (MFIs), on the other hand, do have structures in place for smaller loans, but the loans are at high interest rates that most small scale businesses cannot afford [35]. Grameen Foundation empowers the world's poorest people, especially women, to escape poverty through access to financial services, information, and viable business opportunities. This is quite different in other situations in other parts of the country. For example, looking at access to resources versus control over the same resources for women in Uganda, [29] reports that while microfinance lending has done well in terms of extending access to financial services to low-income women; its focus has largely been in terms of delivery of credit. Over the last few years of accessing credit, the focus has largely tended to be on consumption loans such as loans spent on food and very small production loans such as those used on investments [29]. Researchers in another study agree that there are changes in Uganda and loan size according to a microfinance programme was influenced by personal characteristics with women being rewarded according to their credit history [35]. The study does not however give reasons for the changes in access to credit especially for women.

According to [36] access to credit can help to improve the wellbeing of users only if accompanied by other complementary inputs like business skill training and development. However there is a challenge of studying access to loans by gender because most studies do not give gender segregated data and therefore we cannot tell access to credit by either gender. It is important for this study to look at access to loans so as to understand some aspects of utilisation.

3. METHODOLOGY

Research Design

The study used mixed research approach and convergent research design. The two methods complemented each other in a concurrent mixed method approach. In this design, as [37] states, the investigator collects both forms of data at the same time and then integrates the information in the interpretation of the overall results. Quantitative research helped get data to answer all questions related to numbers.

ISSN 2348-3156 (Print)
International Journal of Social Science and Humanities Research ISSN 2348-3164 (online)
Vol. 10, Issue 2, pp: (84-93), Month: April - June 2022, Available at: www.researchpublish.com

Study Area/Location

The study was conducted in Kitui County in the South Eastern region of Kenya. Most parts of the County are semi-arid experiencing low rainfalls and frequent droughts. The study population was drawn from three sub counties which is 42.9% of the total number of sub counties of Kitui County. Based on the international poverty line of $1.90 a day, the poverty level of Kitui County is 63.1% which is way above the country average which stands at 45.9% [37].

Population

The study targeted people involved in borrowing. Purposive sampling was done in order to balance rural and urban population. The study sampled staff working in Sidian bank in various departments including those in management, loans officers and those working in the field. These officers were key informants with information on women and men beneficiaries who had accessed loans from Sidian bank. Also targeted were men and women who have borrowed from Sidian bank. The other informants were spouses of those people who have accessed microfinance resources from Sidian bank in Kitui.

Sample Size

The population of the study was sampled from the total population of 2100 women and men microfinance borrowers of Sidian Bank and the spouses of the married ones

Sampling Techniques

Purposive sampling was done in order to balance rural and urban population. The population of the study was sampled from the total population of 2100 women and men microfinance borrowers of Sidian Bank and the spouses of the married ones. The percentage of women borrowers is 56%. So as to get a reasonable sample size, a 95% level of confidence and a 6.5% confidence interval was used to select a sample. A suitable sampling strategy and an appropriate sample size was expected to yield valid and reliable information [39].

Instruments and data Analysis Procedures

The research instruments used were questionnaires, interview guides and observation checklist. Data were coded and analyzed with the aim of answering the research questions and consequently drawing conclusions in relation of the study. Quantitative data was presented in descriptive statistics which included frequencies and percentages. Qualitative data was presented in narrative form taking into consideration the study objectives.

4. FINDINGS AND DISCUSSIONS

4.1 Amount of Loans Accessed By Men and Women Results

The first objective of the study was to establish the amount of money borrowed by any one gender from Sidian bank from the years 2013 to 2018. In a bid to establish the amount borrowed from Sidian bank, the study found out that 98.0% of men respondents were active individual customers of Sidian bank compared to 0.8% of women as most women borrow through joint liability lending groups.

Table 1: A Cross Tabulation of Gender and the Amount Borrowed

		Range of the Amount Borrowed				Total
		1000-10000	10001-50000	50001-100000	Over 100000	
Gender	Men	11	7	1	24	43
		50.0%	5.8%	.8%	52.2%	13.8%
	Women	11	113	122	22	268
		50.0%	94.2%	99.2%	47.8%	86.2%
Total		22	120	123	46	311
		100.0%	100.0%	100.0%	100.0%	100.0%

Source: Own survey, 2021

As shown in Table 1, both 50.0% of male and 50.0% female respondents borrowed 1000-10000 Kenya shillings, only 5.8% of male and 94.2% of the female borrowed 10001-50000 Kenya shillings and 0.8% of male as compared to 99.2% of the female respondents borrowed 50001-100000 Kenya shillings. The study further revealed that 52.2% of male respondents borrowed over 100,000 Kenya shillings as compared to 47.8% of their female counterparts. In summary only 13.8% of male respondents borrowed some money as compared to 86.2% of female. The study further sought to establish whether there was a relationship between the respondents' gender and the amount borrowed. A chi-squared test was run to establish the same and Table 2 presents the finding.

Table 2: The relationship between Gender and Amount Borrowed

	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	104.853(a)	3	.000
Likelihood Ratio	90.756	3	.000
Linear-by-Linear Association	5.119	1	.024
N of Valid Cases	311		

Source: Author, 2021

Table 3: Amount of money borrowed by men and women between the year 2013 and 2018

Year	Loans borrowed by women	Loans borrowed by men	Total
2013	162,320	608,605	770,925
2014	358,180	790,715	1,148,895
2015	332,060	556,611	888,671
2016	282,250	289,610	571,860
2017	11,218,250	19,731,682	30,949,932
2018	4,447,300	6,499,000	10,946,300
Total	**16,800,360**	**28,476,223**	**45,276,583**

Source: Own field survey, 2021

Hypothesis Testing on Range of Loans Borrowed from Sidian Bank

H_{03}: There is no significant difference on the range of loans borrowed from Sidian bank between men and women

Table 4: Hypothesis Testing on the Range of Loans Borrowed across Categories of Gender

Hypothesis	Test	P-Value	Level of Significance	Decision
H_{03}	Mann Whitney U-Test	0.028	0.05	Reject the null hypothesis

Source: Author, 2021

The study sought to establish whether there exists any significant difference on the range of loans borrowed at Sidian bank across categories of gender. The p-value of hypothesis H_{03} of 0.028 was less than the level of significance implying that we reject the null hypothesis in favour of its alternative hypothesis and conclude that there was significant difference on the range of loans borrowed from Sidian bank between men and women. This implied that, the range of loans borrowed from Sidian bank between men and women was not the same.

4.2 Amount of loans accessed by men and women Discussion

This study realised that although there are more women borrowers, the few men who are there are able to borrow higher loans individually as compared to women. This has a relationship with the disparity and ownership of property between men and women. This is in line with an empirical research conducted in three Italian banks, where []Calcagnini, Giombini & Lenti (2014) suggest that differences in credit access are the result of disparities and structural differences between male- and female-owned firms. In the same study it was reported that there was discrimination in the amount of loans issued and that traditionally, female entrepreneurs report either difficulties or higher costs in accessing bank credit [7].

ISSN 2348-3156 (Print)
International Journal of Social Science and Humanities Research ISSN 2348-3164 (online)
Vol. 10, Issue 2, pp: (84-93), Month: April - June 2022, Available at: www.researchpublish.com

In many parts of the World, women continue to be disadvantaged in access to land, housing, property and other productive resources and have limited access to technologies and services that could alleviate their work burdens. Women's secure access to land, property and housing supports their independence and autonomy, provides for their day-to-day needs and those of their families and allows them to weather some of life's most difficult challenges [40]. In absence of this as was in the case in the area of study disparities in amounts of loans is bound to happen.

Even though women borrowed regularly, men borrowed bigger loans comparatively. Once men build their histories and accumulated more savings, they transited to individual saving and borrowing while women remained in the lending groups. The limitation on the amount of money one borrowed individually is in the amount of saving their credit history and the worth of the borrower. Microfinance institutions mostly do not ask for the traditional collateral of land title deeds or motor vehicle log books but hidden behind the joint liability group model, there are other forms of collateral. This is unlike the notion expressed by [40]. Microfinance institutions around the world have been quite creative in developing products and services that avoid barriers that have traditionally kept women from accessing formal financial services such as collateral requirements, male or salaried guarantor requirements, documentation requirements, cultural barriers, limited mobility, and literacy.

4.3 Livelihood outcomes Discussion

Introducing a microfinance strategy may not lead to automatic empowerment, but empowerment is determined by good utilisation. Utilisation on the other hand is determined by access to and control of loans and other resources. That means that without both access and control, women's utilisation of loans will not make significant effects on the livelihoods of households especially in agricultural communities where women have no complete control over land. Thus the amount of money accessed in form of loans, it was noted, had direct effects on livelihood outcomes.

5. CONCLUSION

There are gender differences in credit access resulting from disparities and structural differences in ownership of family property although at face value there were no disparities in access to loan opportunities in Kitui County. On the contrary, hidden behind this notion of equal access to credit is the amount borrowed by women and men and the gender differentials in utilisation. There is a deception that microfinance borrowing is the solution to improving the livelihoods of men and women and that men and women benefit equally. This study has proved otherwise as it established that a higher percentage of men borrowed bigger loans than women. They do so based on among other things control and ownership of property and financial histories. It was also established that women did not benefit fully from the loans they borrowed because of various reasons. One is that they utilised their loans on consumables like food, clothing, school fees and non income generating items like water tanks. Though these are forms of livelihood improvement it gave a negative effect later as this money had to be repaid. One could therefore say that most of the women brought temporal household improvements. Families have lost their livestock and other household items to JLL groups, taking away all the gains made on livelihood improvement. The study also found out that there was discrimination in the rules and regulations of the lender, married women required their husbands to sign their loan application forms for them as a way of giving consent which is not the case for married men. This disadvantages women as it influences utilisation of the loans. Men borrowers are able to construct permanent houses because they have ownership of land while most of the married women feel insecure. However this does not apply for the unmarried and widows. Another perspective of microfinance borrowing is the deception that borrowers do not need collateral in order to access loans. In the real sense the JLL groups sign members' loans against household goods and visit a borrower's home and confirm availability. This again becomes an impediment for women because in a patriarchal society, everything in a household belongs to the man.

6. RECOMMENDATIONS

1. Strategies should be put in place to give women freedom of utilising their loans so that repay promptly and gradually increase the loan sizes to the same levels as men.

2. Rules and regulations should be reviewed to be fair for both men and women

3. Borrowers should be educated on how to separate social and economic matters so that they utilise the money they access wisely for returns that will enable them repay the loans and improve their livelihoods at the same time

ISSN 2348-3156 (Print)
International Journal of Social Science and Humanities Research ISSN 2348-3164 (online)
Vol. 10, Issue 2, pp: (84-93), Month: April - June 2022, Available at: www.researchpublish.com

REFERENCES

[1] Kiiru M.J., (2007) “The impact of microfinance on rural poor households’ income and vulnerability to poverty: case study of Makueni District, Kenya” http://hss.ulb.uni-bonn.de/diss_online

[2] Fletschner, D., (2009). Rural Women’s Access to Credit: Market Imperfections And Intra-household Dynamics. World Development, 37(3): 618–631

[3] Government of the Republic of Kenya (2007) Kenya Vision 2030 http://vision2030.go.ke/inc/uploads/2018/05/ Vision-2030-Popular- Version.pdf

[4] Sen, Amartya (2004). “Capability and well-being”, in Nussbaum, Martha; Sen, Amartya, *The quality of life*, New York: Routledge, pp. 30–53, ISBN 9780415934411.

[5] Sen, Amartya (1985). *Commodities and capabilities*. Amsterdam New York New York, N.Y., U.S.A: North-Holland Sole distributors for the U.S.A. and Canada, Elseviev Science Pub. Co. ISBN 9780444877307

[6] Alkire, Sabina (2009), “The human development and capability approach”, in Deneulin, Séverine; Shahani, Lila, *An introduction to the human development and capability approach freedom and agency*, Sterling, Virginia Ottawa, Ontario: Earth scan International Development Research Centre, pp. 22–48, ISBN 9781844078066

[7] Calcagnini G. et al (2014) Gender Differences in Loan Access: an Empirical Analysis .Ital Econ (2015) 1:193-217

[8] World Bank (2015). Access to Finance and Development: Theory and Measurement in http://siteresources. worldbank.org/INTFINFORALL/Resources/4099583-1194373512632/FFA_ch01.pdf

[9] Finnegan, G., (2015) Strategies for Women’s Financial Inclusion in the Commonwealth. Policy Brief. May. Commonwealth Secretariat. London

[10] Gurtoo A. & Koride P. 2019 "A Comparison of Borrowing and Default Behaviour Between Men and Women," Studies in Microeconomics, , vol. 7(2), pages 189-209, December Karnataka

[11] Robinson M.S., (2001). The Microfinance Revolution Sustainable Finance for the Poor: Lessons from Indonesia the Emerging Industry, the International Bank for Reconstruction and Development/The World Bank 1818 H Street, NW, Washington,D.C

[12] Beck, T., Demirguc-Kunt, A., & Peria, M. S. M. (2007). Reaching out: Access to and use of banking services across countries. *Journal of Financial Economics*, *85*, 234-266

[13] D (2017) Deductions and counter-deductions in South Africa.HAU: Journal of Ethno- graphic Theory7 (3):281304

[14] Brau, J. C., & Woller, G. M. (2004). Microfinance: A comprehensive review of the existing literature. *Journal of Entrepreneurial Finance*, *9*(1), 1-27.

[15] Jain, S., & Mansuri G. (2003). A little at a time: The use of regularly scheduled repayments in microfinance programs. *Journal of Development Economics*, *72*, 253-279.

[16] Haldar A. & Joseph E. Group Lending, Joint Liability, and Social Capital: Insights From the Indian Microfinance Crisis December 2016 Politics and Society 44(4):459-497 DOI:10.1177/0032329216674001

[17] Kendall M. & Ponce A. (2010) Measuring Financial Access around the World Jake The World Bank Financial and Private Sector Development Financial Access Team March 2010

[18] Oswald K., (2014) Utilisation of Savings and Credit by Household Characteristics in Uganda and the Implications for Linkage Banking Programs. Tiger Prints, Clemson University 8-2014.

[19] United Nations (2009) World Survey on the Role of Women in Development: Women’s Control over Economic Resources and Access to Financial Resources, including

[20] Mahbub, U.H. (2000).*Human Development Centre*, *Human Development in South Asia:* The Gender Question (Oxford University Press).

[21] Wube (2010). Factors affecting the Performance of Women Entrepreneurs in Micro and Small Enterprises: The Case of Dessie town. http//opendocs.ids.ac.uk/opendocs/ bistre am/handle/123456789/DP296.pdf

[22] Muhammed, Y. (2008). Creating a world without poverty: Social Business and the Future of Capitalism.Public Affairs, New York.

[23] (Hunt & Kasynathan, 2001 Pathways to empowerment? Reflections on microfinance and transformation in gender relations in South Asia March 2001 Gender and Development 9(1):425DOI:10.1080/13552070127738

[24] Deere, C. D., and Diaz J. C., (2011). (Trans) Acumulación de activos: Una apuestabpor laequidad Sede Ecuador: FLACSO.

[25] Deere, C. D., and Doss C., (2006). The gender asset gap: What do we know and why does it matter? *Feminist Economics* 12(1–2): 1–50.

[26] Swaminathan R. & Lahoti J. Y. Suchita (2012) Women's Property, Mobility, and Decision making: Poverty, Health, and Nutrition Division: Evidence from Rural Karnataka, India January 2012

[27] Hertz N. (2011) Women and Banks: Are Female Customers Facing Discrimination? Institute of Public Policy. London

[28] Mugabi N. (2010) micro-credit utilisation and its impact on household income: a comparative study of rural and urban areas in Iganga district. https://news.mak.ac.ug

[29] Arunachalam, R. **(**2007)Microfinance and Innovative Financing for Gender Equality: Approaches, Challenges and Strategies. London, Common Wealth Secretariat.

[30] Muteshi J (2006) Mapping Best Practices: Promoting Gender Equality and the advancement of Kenyan women. Nairobi Heinrich Boll Foundation: 180-348 in https://ke.boell.org/en/2006/09/05/

[31] Grameen Foundation, (August, 2013) Retreived from www.grameenfoundation.org.my

[32] Mahembe, et al. (2011.)Literature Review on Small and Medium Enterprises' Access to Credit and Support in South Africa. Pretoria. Underhill Corporate Solutions (UCS)

[33] Corsi M. & De Angelis ((2017) Gender Discrimination in Microfinance? Some Evidence from Uganda Taylor and Francis https://doi.org/10.1080/00220388.2016.1205733

[34] Creswell J.W. (2009) Research Design: Qualitative, Quantitative, and a Mixed Methods ApprA.oaches. SAGE Publications Ltd. London

[35] Singh PK, Chudasama H (2020) Evaluating poverty alleviation strategies in a developing country Harpalsinh ChudasamaPublished: January 13, 2020 https://doi.org/10.1371/journal.pone.0227176

[36] Nachiket M.; A Bindu. 2008. Access to Finance and Markets as a Strategy to Address Poverty. World Bank. © World Bank. https://openknowledge.worldbank.org/handle/10986/4550 License: CC BY 3.0 IGO.

[37] Creswell J.W. (2009) Research Design: Qualitative, Quantitative, and a Mixed Methods ApprA.oaches. SAGE Publications Ltd. London

[38] Orodho, A.J. and Kombo, D.K. (2002). *Research Methods*. Nairobi: Kenyatta University Osagi (2002) *Gender Mainstreaming an Overview*. United Nations. New York

[39] OHCHR & UN Women (2020). Realizing Women's Rights to Land and Other Productive Resources.UN Second Edition. New York. https://creativecommons.org/licenses/by- nc-nd/3.0/igo/

[40] Cheston S & Lisa Kuhn (2002) Empowering Women through Microfinance UNIFEM