

# Listening to the voices of women and children in Malawi



A report for the MicroLoan Foundation

***“We recognize that the future of Africa lies with the well - being of its children and youth. The prospect for socio-economic transformation of the continent rests with investing in the young people of the continent. Today’s investment in children is tomorrow’s peace, stability, security, democracy and sustainable development.”***

***‘Africa Fit for Children, The African Common Position’  
(The Organisation of African Unity 2001)***

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# Acknowledgements

The authors want to thank all the women and children who gave their time to be interviewed, often at the expense of time that could have been spent conducting their businesses. Thanks are also due to them for being prepared to share their stories and photographs with a wide audience, often stories of a day to day struggle to feed and clothe their families.

The report could not have been produced without the support of the staff at MicroLoan and particular thanks are due to Martha the Operations Manager, Branch Managers Bright, Olivine, Dick, Innocent, Dennis and Spider. Our interpreters were indispensable and were happy to follow us into many unusual situations – thanks to Precious, Trouble, Jonas, Caleb, Charles, Maggie and Lestor.

## About the authors

### Jane Stacey

Jane Stacey is a regional director for Barnardo's, the largest children's charity in the UK. She has overall responsibility for over 60 projects and 720 staff in the South West of England. She has been in this role for 11 years.

Jane has been the lead director within Barnardo's for outcome measurement and is committed to ensuring that this includes the voice of children. She has an Msc in Social Work studies and an MBA which she completed in 1994.

As part of a seven month sabbatical in Africa Jane has spent four months in Malawi undertaking this study and other evaluation work for MicroLoan.

### Jane Parker

Jane Parker is an assistant director for Barnardo's. Jane has a longstanding interest in development and is undertaking a Masters degree in Development Management with the Open University. In 2005 she took a three month sabbatical to undertake independent voluntary work with local development projects and organizations, including working with young people to develop and run HIV awareness workshops.

In August 2008 Jane visited Malawi to undertake ground work for the current children's study. She returned in April 2009 to take part in the interviews with the women and children which form the core of this report.



*Jane Stacey wading through a river to reach a family living in a remote rural location*



*Jane Parker working with a group of children*

# Foreword

Since we made the first loan in Malawi, the MicroLoan Foundation has always listened attentively to its clients. Listening which has helped us to develop and shape our programme from one man, a bike and £10,000, to a 19 branch operation in Malawi serving over 800 groups of 20 women with further expansion taking place into Zambia, Namibia and Mozambique.



Our UK and local African staff, visitors and donors, have always observed the significant benefits that our loans appear to have on mothers and children. Improved housing, clothing, diet and the ability to pay for medicines and secondary school fees. In addition, we know from our database that on average every loan we make supports one orphan and five dependents. Most of these dependents are inevitably children.

Nevertheless, if you work in Africa, you should never assume that what you see is an accurate reflection and so we considered that we needed to have a truly independent study to deepen our understanding of the lives of mothers and children, and in particular, the impact of microfinance.

We are particularly fortunate to have had two outstanding volunteers from Barnardo's to undertake this project. Jane Stacey - Regional Director, who spent four months in Malawi and Jane Parker - Assistant Director, who carried out 'pathfinder trips' to establish the framework and methodology.

Their work marks a constructive step forwards for the MicroLoan Foundation and we hope will also be of benefit to others involved in helping Africa.

We are deeply appreciative of their time and commitment.

A handwritten signature in blue ink, appearing to read 'Peter J Ryan'.

Peter J Ryan



# Introduction and summary

## The importance of listening to the voices of women and children.

Many research studies have been carried out on the impact of microfinance programmes but few include the perspective of children or are specific about the impacts on children. Our aim in this study is to explore these two areas in a way that can contribute to the development of MicroLoan as it expands to reach more communities. We have written the report with a dual audience in mind. We hope that it will be read by people within the organisation to influence future policy and practice. We also hope that it can help the charity attract new donors by highlighting the reality of daily life for children which the charity is trying to reach, illustrating how it is making a positive difference.

Listening to the voices of children does not fit easily within formal research methods and is unlikely to produce clear quantitative results but often provides very valuable insights. In this study we have talked with children whose mothers receive loans from MicroLoan. We have asked them about their daily lives using a “day in the life” format and then explored in more detail their views about helping in their mother’s business and their own plans for their futures. As such this is very much a qualitative study.

The women interviewed represented a cross-section of MicroLoan clients. The focus of these interviews was to explore the impact of microloans on the lives of their children. The section of the report which focuses on listening to women’s voices starts with capturing their views of the financial impact of the loans on their households and then records the impact that this may have had in relation to their children’s health, education and diet. We also wanted to explore with the mothers how the running of their businesses affected how the children spend their time and whether it impacts upon their opportunities to play and study.

The concluding section of the report pulls together the key messages to come from the interviews with the women and children. The overriding message is that MicroLoan has enabled women to provide a better life for their children.

We have called this section ‘Responding to the voices: opportunities for MicroLoan and donors’. The opportunities that emerge from the interviews raise challenges for MicroLoan which they will only be able to meet with the support of existing and new donors. The challenges are:

- to grow the organisation to enable more women to work their way out of poverty
- to support women accessing increased capital
- to enable the most vulnerable women to succeed
- to respond to young people with very limited prospects



## Section A - Context



# I. Malawi

Malawi is a country of immense beauty and extreme poverty. It has a population of around 13 million and, due to the country's small size, has one of the highest population densities in Africa. It is also one of the world's poorest and least developed countries. Two-thirds of the population live below the national poverty line and around half the population is under 15 with close to half a million children having lost either one or both parents. Malawi has one of the world's highest teenage pregnancy rates.

## Households

A typical rural home is made from mud and daub, with a dirt floor and a thatched roof, or from baked bricks with a metal sheeting roof, with 66% living in these traditional houses. The average household size in Malawi is 4.5, with 30% having more than six people per household. Only 6% of the population have electricity in their house with under 4% owning a television. Only one third of households own a bed and a chair, and only 64% have access to safe drinking water.

## Employment

Malawi has a rapidly urbanizing population. However 85% of the population still live in rural areas and are engaged in subsistence farming, fishing, or are employed on commercial farms. The agricultural sector contributes 64% of total rural income. Tobacco accounts for over half of Malawi's exports with other exports being tea, coffee, sugar, cotton and saw mill products. The economy is dependent upon a substantial amount of economic assistance from the IMF, World Bank and individual donor nations. Although there are no current figures on youth unemployment rates in Malawi, it is accepted that it mirrors that of sub-Saharan Africa as a whole with a high percentage of young people failing to gain employment, working in poor conditions or in the informal sector. The reasons behind this are due to both poor conditions for growth and job creation but also due to inadequate education and a lack of skills.





## Nutrition and health

Malnutrition is the single biggest contributor to child death. 46% of children between six months and five years old are stunted, 18% of them severely. The causes of malnutrition in children include poor childcare practices, diets lacking in calories and nutrients, frequent bouts of disease and chronically under-nourished pregnant and breastfeeding women. The Ministry of Health's Micronutrient Survey (2001) revealed that 60% of children under five had sub-clinical vitamin A deficiency. (Vitamin A deficiency lowers children's immunity and reduces their chances of surviving a serious illness).

Malaria is also a major cause of morbidity and mortality in Malawian children under five and is the cause of 40% of deaths for children under two. Approximately 15% of the adult population are infected with HIV, and as a result life expectancy in Malawi has dropped to around 41, with close to half a million children under 15 having lost their parents to the disease. Poor health compounds poverty since illness impacts on a family's ability to work and farm.

## Education

One in four adults has never attended school; however 80% of six to thirteen year olds are now enrolled in primary school and young people's literacy rates have increased to 76%. In spite of this the quality of education still remains low. The reasons for school drop-out are the inability of families to provide uniform and school materials, the need for child labour at home and early pregnancy. Marriage and fears for safety are cited as additional reasons for girls and young women leaving school.



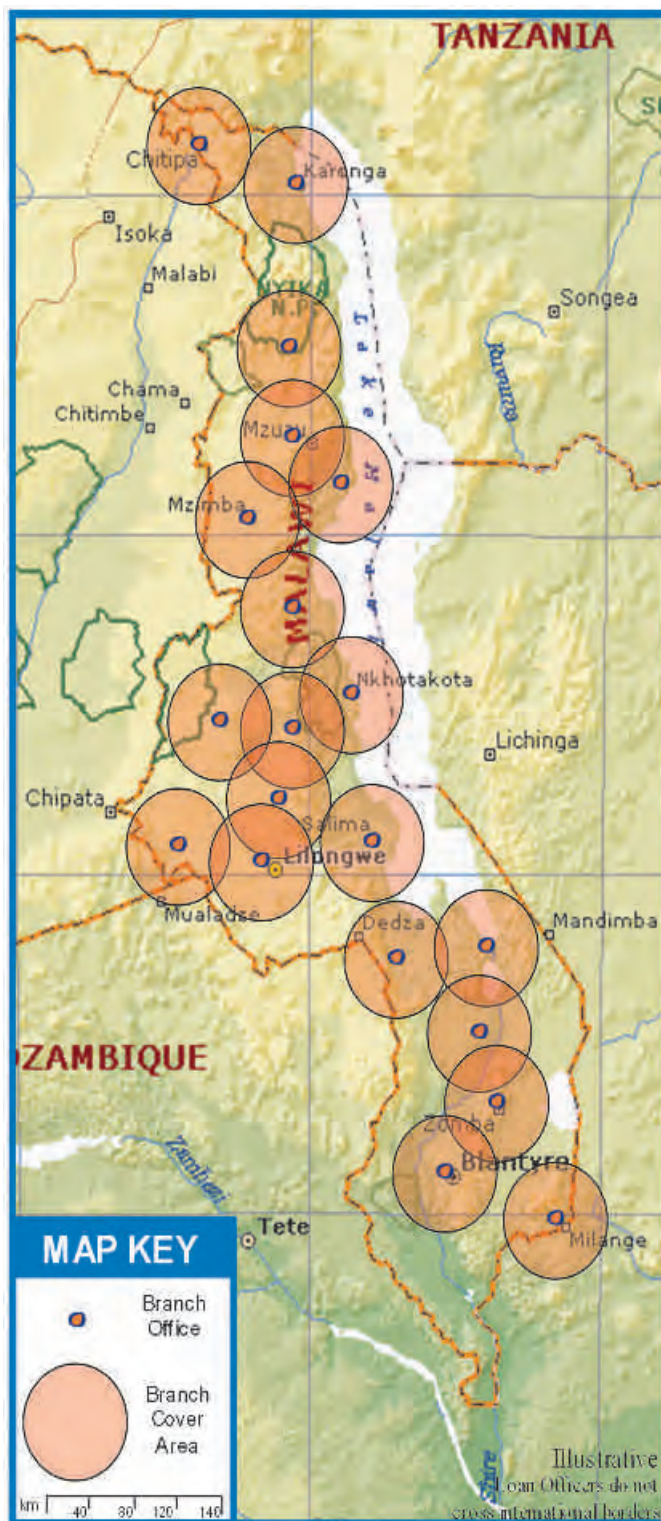
## 2. About MicroLoan

MicroLoan is an established UK based microfinance NGO set up in 2002. It makes small loans to groups of women in rural and peri urban areas, with a focus on those who are most in need. These small loans are repayable over four to twelve months (with repayments made every fortnight) and are designed to help clients set up and develop small businesses to increase their financial independence and sustainably trade their way out of poverty. The women's loan groups take on collective responsibility for the loans and their repayment, and the groups also form a supportive network. In addition to providing the loans, MicroLoan provides business training, support and ongoing mentoring to the groups through their network of loan officers.

Since opening its first office in 2002 it has made over 50,000 loans with an impressive 98% repayment rate and has directly assisted 16,000 women, their families and their children. With an average family size in Malawi of approximately five, MicroLoan has therefore benefited around 80,000 people.

MicroLoan has a team of over 100 staff running the Malawian operation at 19 branches across Malawi, with a UK team of six supported by around 50 volunteers. The main focus of its work is currently in Malawi. During 2009 it expects to increase its volume of loans by 85%, and expand its network of branches across the country to 20. Further plans to expand into Zambia and Namibia are also underway.

MicroLoan has shown a strong commitment to robust evaluation of its work. This has enabled the organisation to adapt and change, ensuring its investment has the maximum positive impact on the lives of its clients, their families and their children.



**Map 2: Operation Coverage.**



### 3. Study methodology

A brief literature review was undertaken to focus the study on the most relevant questions and to find the most up-to-date contextual information. Both authors also spent time learning about the work of the organisation through field visits and discussions with key staff. One of the authors undertook some preliminary scoping work with a group of women and their children, the other carried out a number of poverty assessment interviews with MicroLoan clients.

MicroLoan had used the USAID devised Poverty Assessment Tool (PAT) on a sample of 124 of its clients to inform an organisational review. These clients were chosen randomly from five selected branches. The branches were chosen to represent the geography of the country and the spread of business activity undertaken by women clients.

It was decided to conduct the children's study interviews with a selection of women who had already been interviewed using the PAT. The advantage of this was that the basic household information was already available which meant that the second interview could be used to explore the impact on children in more depth. The assumption was made that each interview should last for no more than one hour as women had many demands on their time, particularly as they ran businesses.

An analysis of the original PAT sample revealed that women who had been in the programme for longer periods were under represented, and therefore a sixth branch was identified and members were chosen randomly from selected groups of higher loan cycles. These women had the PAT assessments undertaken before the children's study interviews. The wider sample was narrowed down using the criteria of selecting the households where there were the most children over ten years of age.

43 women were interviewed and a summary of the results of the PAT surveys for this sample are included as an appendix to this report.

The interviews with mothers for this study were structured around the following headings:

- Business, income and loans
- Household
- Children and education
- Children and health
- Children and food
- Children and activities
- Plans for the future



# Study methodology continued

Individual interviews were conducted with all the children who were available aged 10-18 in the households where the mothers were interviewed.

The interviews focused on a day in their lives including their thoughts about the best and worst things about their day. If they helped their mother in her business they were also asked what they liked and disliked about doing this. Finally, all of them were asked about their plans for their futures. 74 of these interviews were conducted.

Two groups were run, one with 11 children that focused on exploring issues relating to their future plans in more depth, and one with five children that focused on play.

Interpreters were used for all interviews, whenever possible using people who had already worked with the authors on previous occasions or who had prior knowledge of the organisation but were not employees.







## Section B - Children's voices



# I. A day in the life of Malawian children

A survey of 74 Malawian children whose mothers received micro loans

## Before Breakfast

- 31% of children got up at 5am or earlier
- 57% of children got up from 5am - 6am
- 12% of children got up after 6am

Children talked about doing the following household tasks before breakfast:

- Drawing water
- Sweeping outside
- Sweeping/mopping inside
- Washing dishes
- Collecting firewood
- Going to market for food
- Washing clothes

Many children described doing several tasks:

- 9% of children did no task
- 35% of children did 1 task
- 34% of children did 2 tasks
- 22% of children did 3 or 4 tasks

27% of children said they did not have breakfast. Most of these did not eat because there was no food.

The children who did eat breakfast said they had one of the following:

- Tea and Sweet Potato
- Tea and Maize
- Tea and Cakes
- Tea and Pumpkin
- Tea and Cassava
- Tea and Bread





## School

On the school day the children talked about, only seven (9%) children did not attend school.

The reasons these children didn't attend were:

- one 18 yr old had a small baby and no longer attends school
- one family of three children had no clean clothes that day but said they usually attend
- one family had two boys of 15 and 16 who had decided to stop going to school
- one 12 yr old was not attending school as he said he had no uniform

Many children walked quite long distances to school:

- 36% walked for 15 mins or less
- 28% walked for 16-30 mins
- 12% walked for 31-60 mins
- 9% walked for over 1 hour

6% of the children attended boarding school.

*'Our boarding school was burgled. We have to provide all our own stuff like sheets, blankets and soap. All of mine were stolen.'*  
(Victor 18)

Some children talked about occasions before their mothers received the loans when they had not been able to go to school because their parent(s) could not afford to pay the fees.

### **This is what they said:**

*'It was a bad experience to miss school. I felt really bad and all my friends were still learning.'* (Chimwenwe 16 who had previously missed 6 weeks of school because of lack of money to pay school fees)

*'I missed a term of school because my mother could not pay my school fees. I was very disappointed because my friends were all still learning.'* (Chisisi 16)

*'I am studying for my MCSE at boarding school. I missed last term as my mother couldn't afford to pay the fees. I am back at school now but my mother has only been able to pay for half the term. I am really hoping she can find the money for the rest of the term as I was really upset to have missed last term.'* (Victor 18)



## School

Some children talked about occasions in the past when they could not attend school because they did not have uniform.

### **This is what they said:**

*'I was sent away from school because I had no uniform; it wasn't a good thing as my friends learnt a lot while I was away.'*  
(Newton 10)

School started for most children at 7am or 7.30am.

When asked what was the best thing about their day, many children talked about something that happened at school.

### **These are some of the things they said:**

*The best thing about yesterday was school!*  
(Chikondil 16 and Zione 11)

*'The best thing about yesterday was that we discovered something new in science class.'* (Bilbo 14)

*'The best thing about yesterday was learning something new in science.'* (Dalitso 16)

*The best thing about yesterday was the teacher telling us interesting things.'* (Chimwenwe 16)

*'The best thing about yesterday was passing my exams!'*  
(Helen 12 and Chisomo 13)

When asked what was the worst thing about their day, very few children talked about something that happened at school.

### **These are some of the things they did say:**

*'My legs are bad and sometimes they hurt very much. When they hurt it takes me ages to walk to school. If I am late for school I am sent back home and this upsets me.'* (James 18)

*'The worst thing about yesterday was being punished at school for being late but the best thing was the physics lesson.'* (Precious 18)

*I was turned away from school for being late and another time for forgetting to bring water.'* (Kondwani 13)

*'The worst thing about yesterday was reading at school.'* (Sarah 12)

*'I was late to school for extra lessons before assembly and was not allowed in, this made me very sad.'* (Fanny 15 studying for her PSLC this year)

Primary Schools finished at 11.30 am or 12 noon.

Secondary Schools finished at 1.30, 2.00 or 2.30 pm.





## After school

When children returned home they all described having lunch straightaway.

This is what they said they ate:

- 55% ate nsima and vegetables
- 35% ate nsima and fish
- 7% ate nsima and meat
- 3% ate nsima and eggs

In the afternoon 34% of children studied, either by going back to school and working there or studying at home.

The majority (78% of children) said they played during the afternoon; most talked about playing for 1-2 hours.

The games they said they played were:

- football
- netball
- fly
- hanging around with friends

A significant number (24%) of children said they helped their mother with her business in the afternoon, a few for as long as 4-5 hours.

These are the things they said they did:

- selling fish, sometimes with their mother, sometimes alone
- selling in a grocery shop
- helping in a restaurant
- selling cakes
- selling maize flour

Some children described working on their land in the afternoon, particularly picking and sorting tobacco and planting crops.

Many children (66 %) did more household tasks in the afternoon.



## Supper and After

Four children (5%) said they had no supper but two of these said it was because they chose not to.

From the rest of the children asked:

- 47% ate nsima and vegetables
- 39% ate nsima and fish
- 7% ate nsima and meat
- 1% ate nsima and eggs

14 children said they studied after supper.

Most children described sitting with their family and going to bed soon after their meal. It was very difficult for most children to remember the time they went to bed.

A few children talked about praying and reading the bible, or going to the mosque.

- 85% slept on a mat ( a thin straw mat)
- 10% shared a bed
- 5% slept on their own bed



## 2. Likes and dislikes about helping with their Mothers' businesses

The children who helped their mothers with the business were asked what they liked and disliked about doing this.

### This is what they said:

*'I miss playing with my friends but I do enjoying selling the cakes to customers.'* (Prisca 10, cooking and selling African Cakes)

*'When I help my mum sell cakes it means she can buy clothes and food for us and sometimes she gives us money for helping.'* (Pedro 18, sells African Cakes)

*'When I make and sell chips in the small market I can keep the money to buy things for boarding school.'* (Victor 18, cooking and selling homemade chips)

*'By helping with the business my mother can pay for my school fees but it leaves me little time to study.'* (Harriet 15, selling fish)

*'The best thing about helping with the business is that my mum can buy us food with the money she makes.'* (Mary 10, selling tomatoes)

*I enjoy selling doughnuts when they sell well but I don't like the competition from other traders.'* (Elisa 13, selling doughnuts)

*'I don't like carrying the firewood in the rain but I love it when many customers come.'* (Memory 14, collecting and selling firewood)

### Case study one (Mother Emelia Mithi)

Makaiko (11) and his brother Elekton (13) help with their mother's business selling fish for three hours a day in the afternoon after school. Their mother Emelia says "it is good for the children to be involved with the business as they will have some skill if I die".

Both brothers say they like helping their mother on the market stall and appreciate the importance of the business to the family. "I like helping with the business as I know it brings more money into the family". (Elekton).



### Case study two (Mother Grace Ligwetsa)

Grace has run a grocery shop for fourteen years; her shop was flooded in the rains which ruined a lot of the stock. Her micro loan has helped her to restock and re open her shop. Dalitso (16) and his brother Chisomo (13) both help in the shop four hours a day during the week when there is no school in the afternoons and the whole day over the weekends.

Grace said "it is important the children help in the shop as if there are no jobs when they leave school they will know how to sell and also they can take over the business when I die". Dalitso said "I don't like helping with the business because I want to study but I understand I need to". His younger brother Chisomo said "I don't like to help as I would rather be playing".





*'I like helping my mother with the business because it makes my mother happy.'* (Clifford 18, selling beer)

*'I don't like it when people take the doughnuts and say they will pay later.'* (Maganizo 15, selling doughnuts)

*'I am happy to help in the shop as my mother doesn't ask me to help for too long.'* (Fanny 15, helping in the grocery shop)

*'I am happy to help as the business helps our Family.'* (Brighton 16, selling fish and tomatoes)

*'I like to sell the ground nuts because I can eat them as well.'* (Memory 10, selling ground nuts)

*'I like to help because at the end of the day we can buy something to eat.'* (Shubitils 15, selling fish and frozen drinks)

*'I like to help because I have learnt how to sell things and when I grow up I can start my own business.'* (Wonderful 14, helping in his mother's restaurant and poultry business)

*'I am very happy to help as it is where we get our money from.'* (Useful 12, helping in his mother's restaurant and poultry business)

### **Case Study Three**

(Mother Agnes Magombo)

Agnes goes to the Government maize market with her son Kondwani (13) to buy maize which she then has ground into flour and sells outside her house. With the profits Agnes buys food to feed Kondwani and his younger brothers and sisters. Agnes feels it is important for Kondwani to be aware of the financial problems at home and to be a part of doing something to support the family.

Kondwani usually helps about three hours a day and says: 'I like helping with the business because it means we can buy food and clothes. But I get worried when we go to the Government maize market as there are so many people there and I think I may get pushed over and trampled on!'





### 3. Plans for the future

Although there are no current figures on youth unemployment rates in Malawi, it is accepted that it mirrors that of sub-Saharan Africa as a whole, with a high percentage of young people failing to gain employment, working in poor conditions or in the informal sector. The reasons behind this are due to a difficult climate for growth and job creation, as well as inadequate education and a lack of skills and training.

We asked 74 children and young people what work they wanted to do when they grew up.

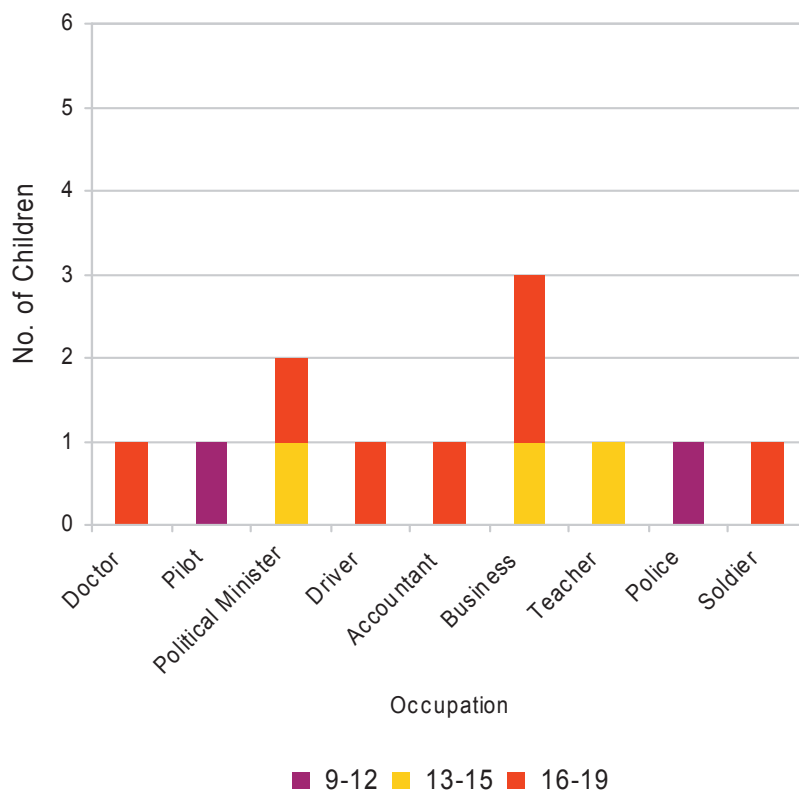
The most popular job for boys and young men was driver with six stating they would like to do this when they grew up and several others stating they would like to be drivers if they could not achieve their first choice of career. 44% of girls and young women said they wanted to be nurses. This was a popular career choice irrespective of age ranges and level of qualification.

When asked why they wanted to do a particular job, many of the children and young people stated it was so they could support and care for their parents in the future.

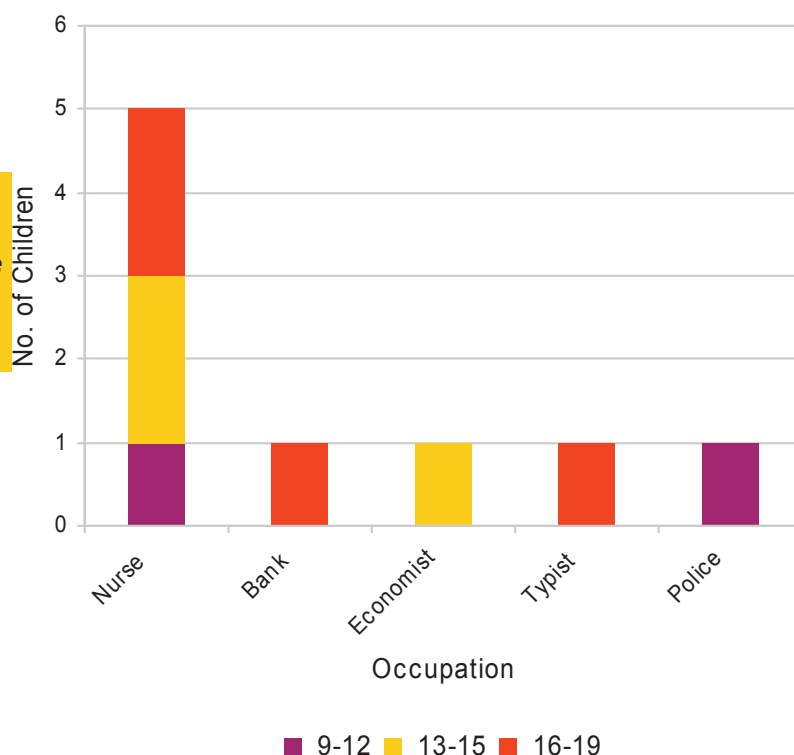
***'I want to be a nurse so that I can help my mother, buying things for her and taking care of her as she has done for me from my birth until today.'***  
(Catherine 15 - no PSLC)

When asked how they would achieve their ambitions they all cited education and learning as crucial. However, only two young people, both young men studying for their MSCE - the highest school certificate - had considered in detail how they would achieve their ambitions. One wanted to be an accountant and the other a journalist.

**Future aspirations of boys with Primary School Leaving Certificate**



**Future aspirations of girls with Primary School Leaving Certificate**



# Plans for the future continued

***'I would like to be a journalist working for the Zodiac Radio in Lilongwe. I am taking my MSCE this year and then hope to go to Blantyre Polytechnic to do their bachelor of journalism course. I have also written a number of short stories and would very much like to write fiction'.***

(Steven 18 - studying for MSCE this year).

75% of adult Malawians are engaged in work within the agriculture and farming sector. Significantly, only three of the 74 children and young people said they wanted to be farmers. One stated he wanted to be the head of the ministry of agriculture.

Only three of the 74 said they wanted to run their own business when they grew up. However, when the others were asked what they would like to do if it was not possible for them to achieve their first choice of career, a significant proportion of the girls and young women said they would like to sell second hand clothes. The boys and young men said they would be drivers or soldiers and one wanted to be a carpenter.

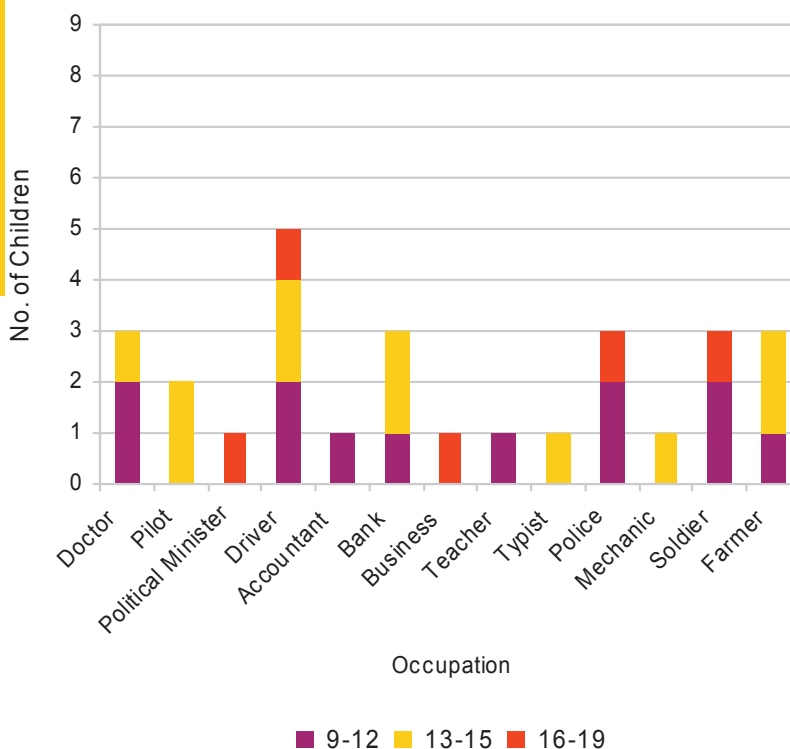
One young man, when asked why he wanted to be a Political minister, stated:

***'Some people in the rural areas have a very poor life and I want to become a minister so that I can assist them. I would firstly ensure they all had access to clean drinking water.'***

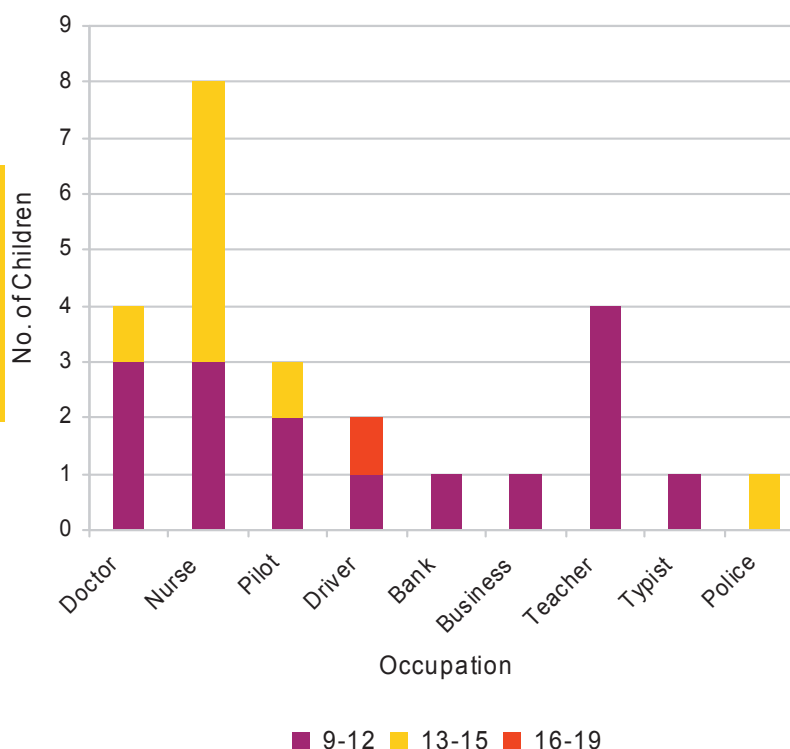
(James 19 studying for his MSCE this year)

When asked how they could improve their lives compared to the lives of their parents, all, without exception, stated the way to achieve this was through education and learning.

**Future aspirations of boys without Primary School Leaving Certificate**



**Future aspirations of girls without Primary School Leaving Certificate**





## Section C - Women's voices



# I. Business, income and loans

## Businesses

The 43 women interviewed ran a variety of businesses which included:

- buying and selling second hand clothes (6)
- buying and selling fish (8)
- brewing and selling beer (9)
- buying and selling tomatoes, onions, potatoes, beans (10)
- making and selling cakes (4)
- buying and selling flour/rice (3)
- buying and selling timber/firewood (2)
- rearing and selling poultry (2)
- buying and selling hardware (2)
- running a restaurant (1)
- running a grocery shop (5)

12 of the women ran 2 businesses.

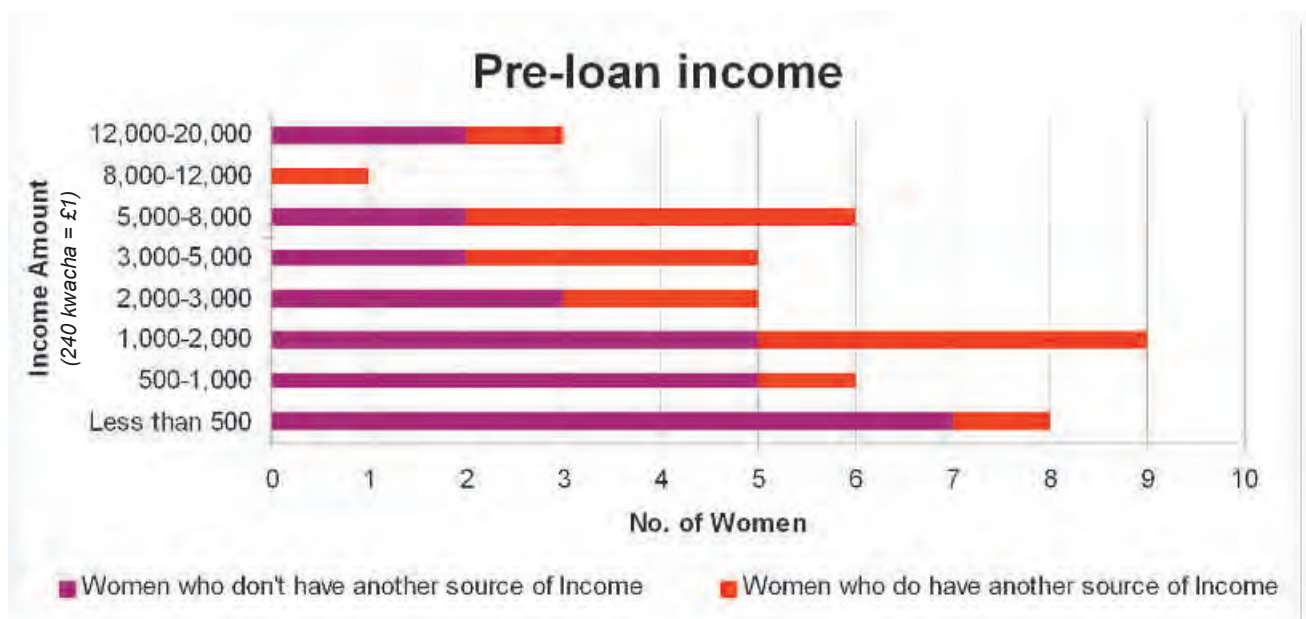
Most of the women were already running their businesses before they received loans from MicroLoan. A small number had previously received loans from other microfinance providers, a few had borrowed from money lenders but the majority had managed with almost no capital and had run very small scale operations.

## Income before receiving the MicroLoan

There was a wide variation in the income that women reported before they received the loans, the lowest being 100 kwacha per week (42p), the highest 20,000 kwacha per week (£83). Although not all the women could remember the exact amount, they were able to recall the range within which their income lay.

All the women were asked whether there was another regular income coming into the household. Only two of the 14 women who earned less than 1000 kwacha per week before their loans only had another regular source of income. In contrast, seven of the 14 women with the highest income had another regular income source.

The chart below illustrates this variation:





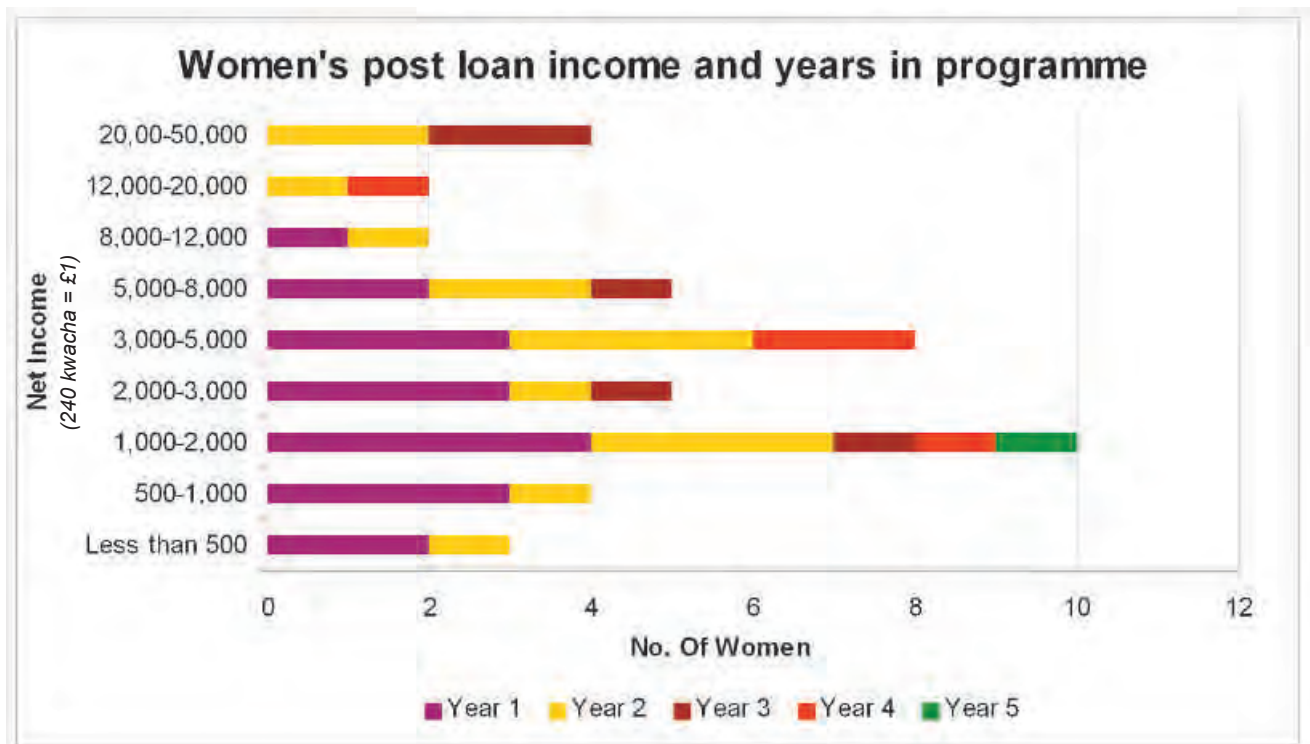
## Income after receiving the MicroLoan

There was an even wider variation when the women were asked what their current weekly income is now they have a loan from MicroLoan. The lowest current income was 150 kwacha per week (63p) and the highest was 48,650 kwacha per week (£203).

Seven women said that their current incomes were less than 1000 kwacha per week (£4), and for all except one of these women her business was the only source of household income. In contrast five out of the seven women with the highest income from their business also had another income in the household.

Five of the seven women currently earning less than 1000 kwacha per week (£4) were in their first year of receiving loans.

The chart below shows post loan income and year in programme:



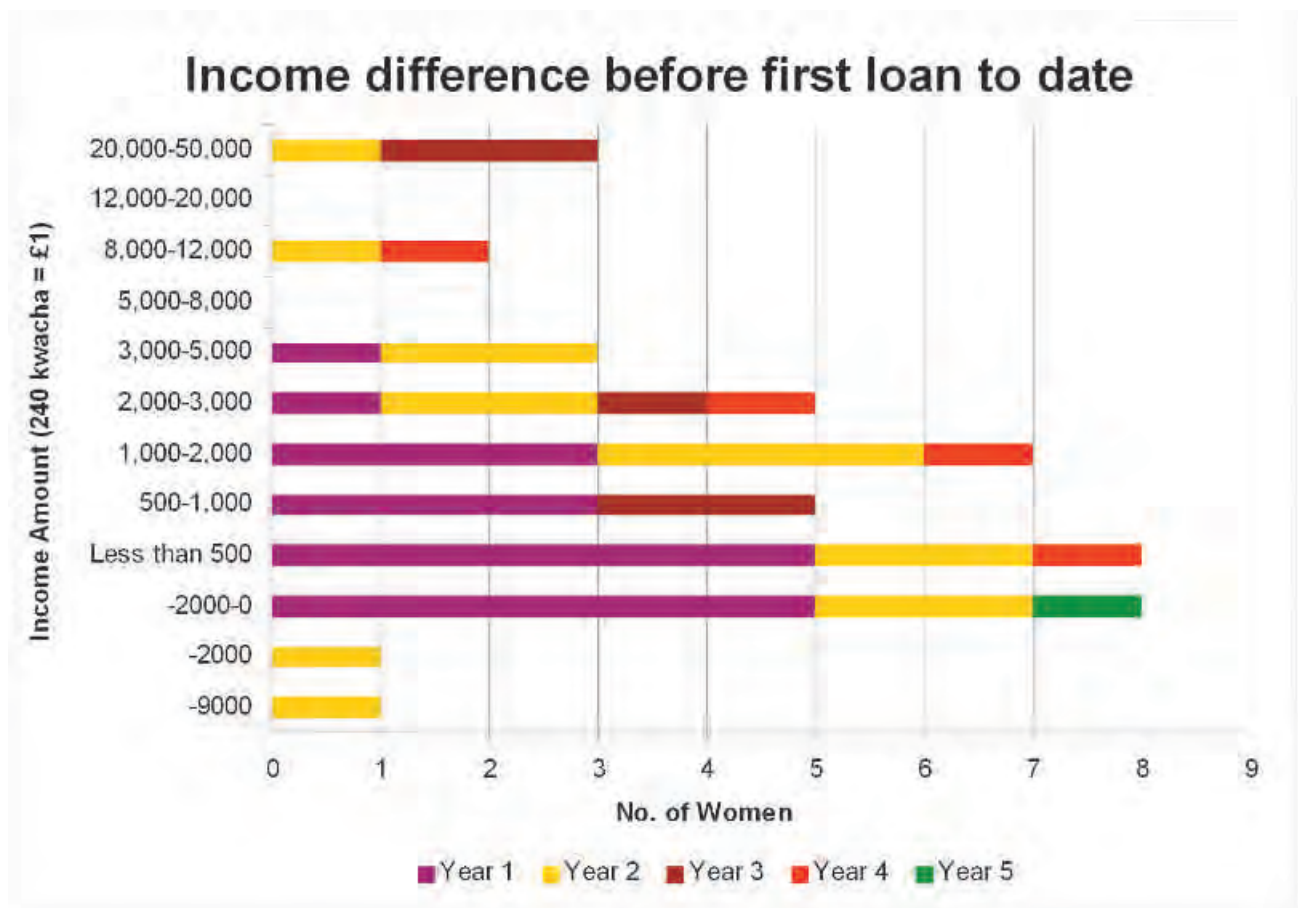
## Difference in income

33 of the 43 women interviewed said that their weekly income had increased since receiving loans from MicroLoan. The reasons the other 10 women gave to explain why their income had not risen are below:

- Three women had family crises which meant they spent loan capital on their immediate priority rather than on their business
- Two women who started on very low incomes were badly affected by the poor fishing season
- Two women who sell beer said that this year has been particularly bad as men are buying less
- Three women had taken decisions to change their business and the new one was slow in growing.

The figures given by the women show that in general the longer they have been receiving loans the greater the difference in their income.

The chart below illustrates these points:



## How women spent their income

All the women were asked if they spent the profit from their business on the following (the numbers in brackets indicate how many responded positively to each category):

- food (37)
- clothes (35)
- school expenses (fees and/or uniform) (35)
- health related expenses (33)
- items for the house (33)
- re-invest in business (28)
- save (27)
- other (9)

The items identified under the 'other' category were: fishing net, umbrella, mattress, fertiliser, transport, bricks for a new house. Five women said they had built their own house with their profits and one woman paid her 23 yr old brother's school fees.

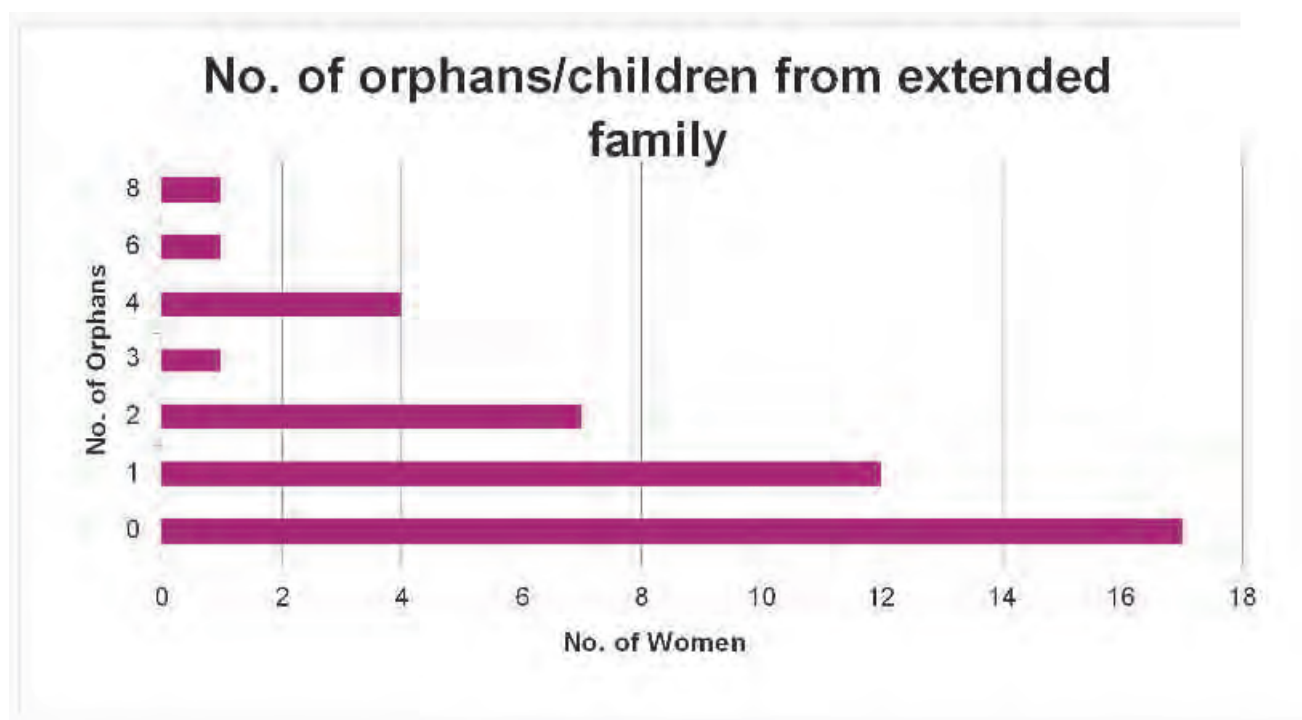
The women who said they did not spend some of their profit on food said that they only eat what they grow themselves or what they sell in their business.

## 2. Women and their households

### Household composition

From the Poverty Assessment Tool it is apparent that many women live in households with dependent adults in addition to their dependent children (defined as 18 yrs and younger). The average household size was 7.5 and the average number of child dependents was 4.4.

53 orphans currently under 18 were cared for by the women interviewed. The distribution of the children between households is shown in the chart below:



In addition two women were caring for children from the extended family because the family had decided the children would be better off with the MicroLoan client.

The women were asked whether receiving the loans from MicroLoan influenced their decision to care for the additional children. In the majority of cases the decision was made before they received their first loan, but even when this wasn't the case the women all said that they would have made the same decision regardless of receiving the loan. Many said that the loan had made life easier with their increased family but now do not differentiate between their birth children and other children they are raising.

### Decision making

Sixteen of the women were the only parent in the household and these women rarely had anyone else to discuss making decisions with. Some of these women referred to discussing decisions with their mother or older children.

Of the 27 women living with their husband they described how they made decisions on how to spend their income as follows:

- 16 said they made decisions jointly
- 7 said their husband made the decisions following discussion with them
- 4 women said they made the decisions following discussion with their husbands
- 15 of the women said that children were involved in decision-making, normally by talking to them about decisions that have already been made

### 3. Children and education

#### Before receiving loans from MicroLoan

23 women said that their secondary school children had missed school because they could not afford to pay school fees before they received their loans.

11 of these women said their children had missed one month or more of schooling in the year before they received their first loan.

24 women said that their school-aged children had missed school because they did not have school uniform before they received loans. They found it difficult to remember how many days were missed but usually thought it had been about 5-10 school days per year.

#### After receiving loans from MicroLoan

Only four women said that their children had missed school since receiving loans from MicroLoan. The reasons for this were:

- One school asked for 100 kwacha from each child for a development fund and the mother couldn't pay so her children stayed off school for 3 days
- One woman still has a very low income and children still miss school regularly because they do not always have uniform
- One woman was not able to pay the fees for two of her children at the start of term so they both missed two weeks
- One woman said her children have missed the occasional day because they don't have clean uniform

#### Plans for the future

All the women were asked what stage of education they **expected** to be able to pay for their children to complete and whether this was different for boys and girls.

22 women said that they expected to pay for their children to complete secondary education. One woman said:

*"I take care of so many people I may not manage to the end of secondary school."*

20 women answered this question by saying they **wanted** to pay for their children to complete tertiary education. When they were asked a supplementary question on whether they **expected** to be able to achieve this no-one retracted to say they would only manage secondary education. Here are some of the comments made:

*"This is why I have the loans."*

*"I expect to grow the business to be able to send them to university."*

*"With God's help I'll manage."*

*"I wish at least one will get to university."*

*"So he can get a better job I need to do this."*

Only two women said that they had different expectations depending on the gender of the child. One mother said she felt the girls should have more education as the "boys were mentally deficient". Another mother said she thought it was more important for boys to have an advanced education.



## 4. Children and health

All the women were asked how many times their children were ill over the last year but most could not recall this information accurately. However, when asked if they obtained the treatment and medicines they felt were needed only one said not and that was because she couldn't travel to the hospital. 31 women said they used the government hospital every time they needed medicines for their children, eight said they used private care sometimes and one said she always paid for private care. One woman had care paid for by her husband's employer and one said she does not give her children any treatment or medicines as it is against her religion, (she is a Zionist).

When asked whether the health of their children had improved since receiving loans from MicroLoan 35 said yes, and all identified the reason as a better diet. The remaining eight women said that their income had either reduced or not increased enough to make a difference.

All the women were asked to say how many children did not sleep under a mosquito net and the total for the 43 households was 79.

## 5. Children and nutrition

All the women were asked how many meals a day their children had eaten during the previous week. 38 women said they fed their children three meals a day and five fed their children two meals a day. 17 women said that they have always been able to provide their children with three meals a day, but many of these said the quality of the food had improved since they received their loans.

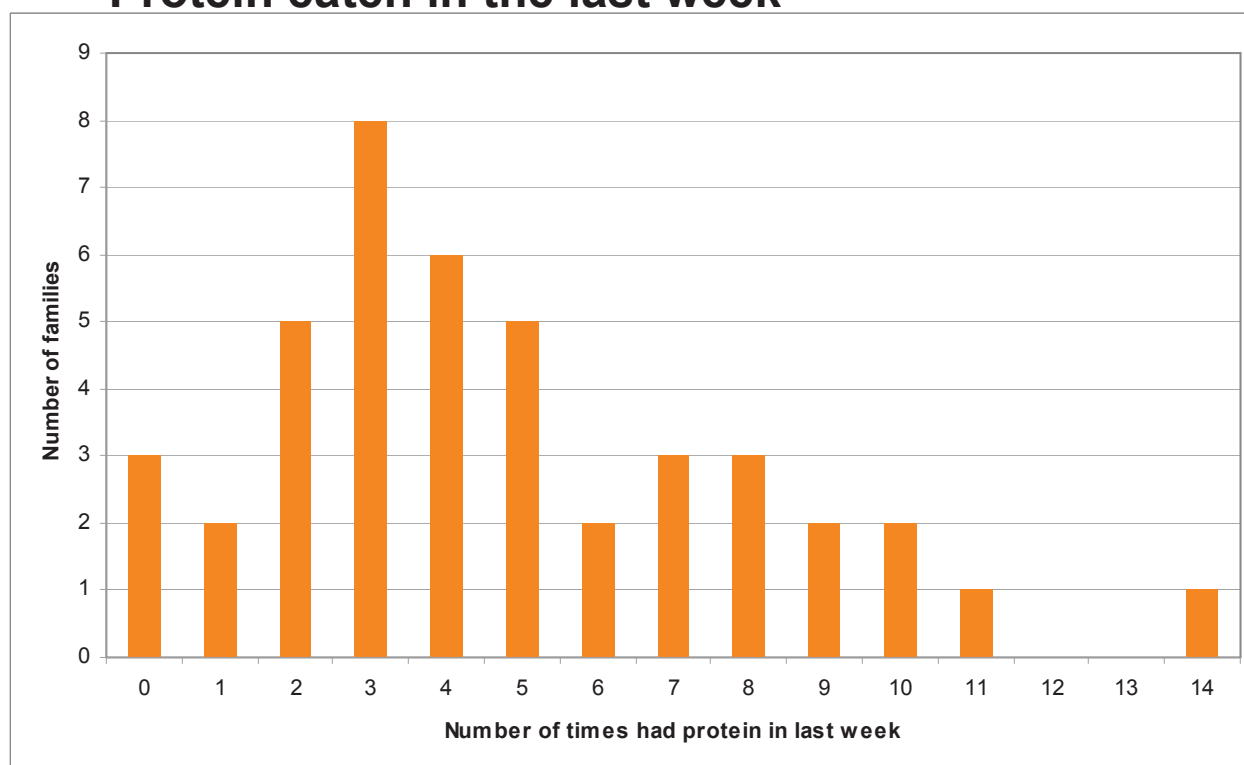
26 women said that they experienced food shortages before receiving their loans. For most, this meant feeding their children two meals a day for some days during the rainy season and for some it meant only being able to provide one meal a day for significant periods.

All the women were asked how many times their children ate protein (fish, meat and eggs) during the previous week.

The chart below shows that protein intake for many of the children was low, at less than six times a week.

The majority of their protein intake came from fish, with a significantly lower intake of eggs and meat.

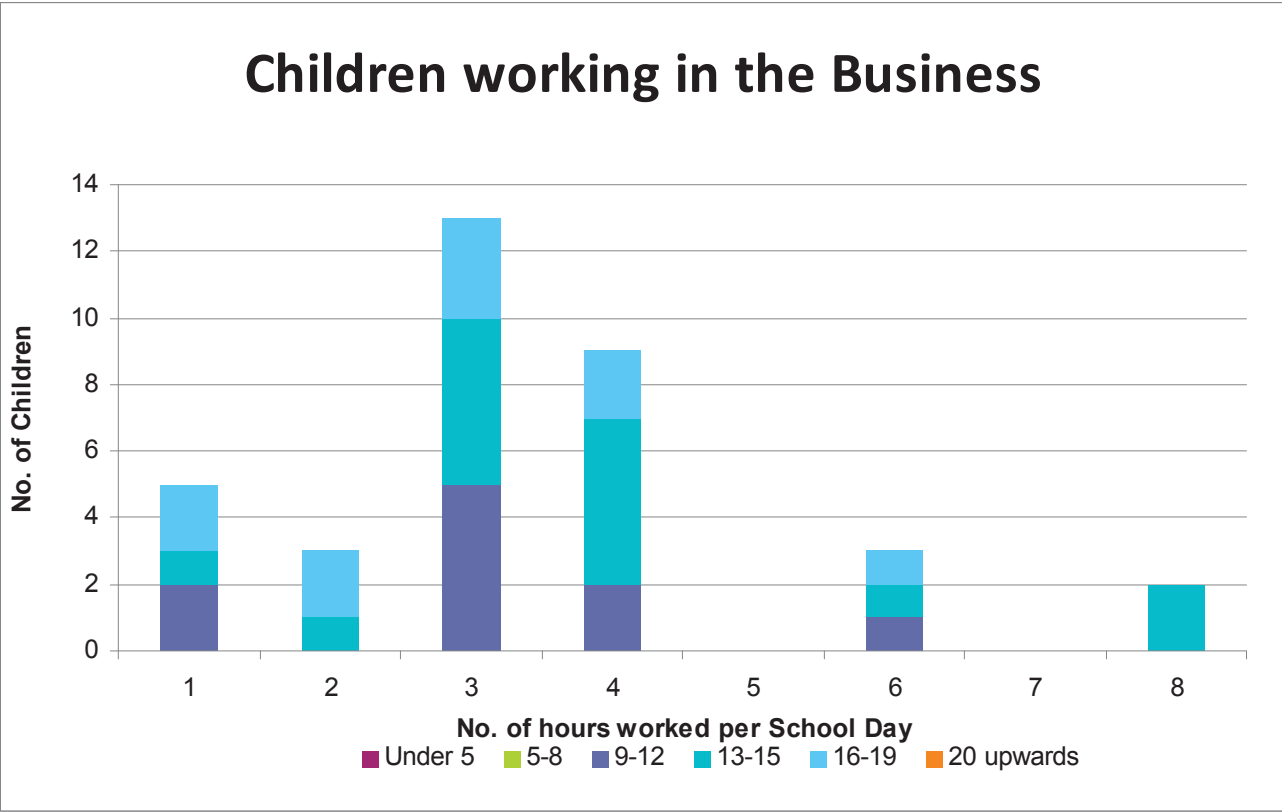
**Protein eaten in the last week**



When asked whether the diet was the same for all their children all the women said it was.

# 6. Children’s activities

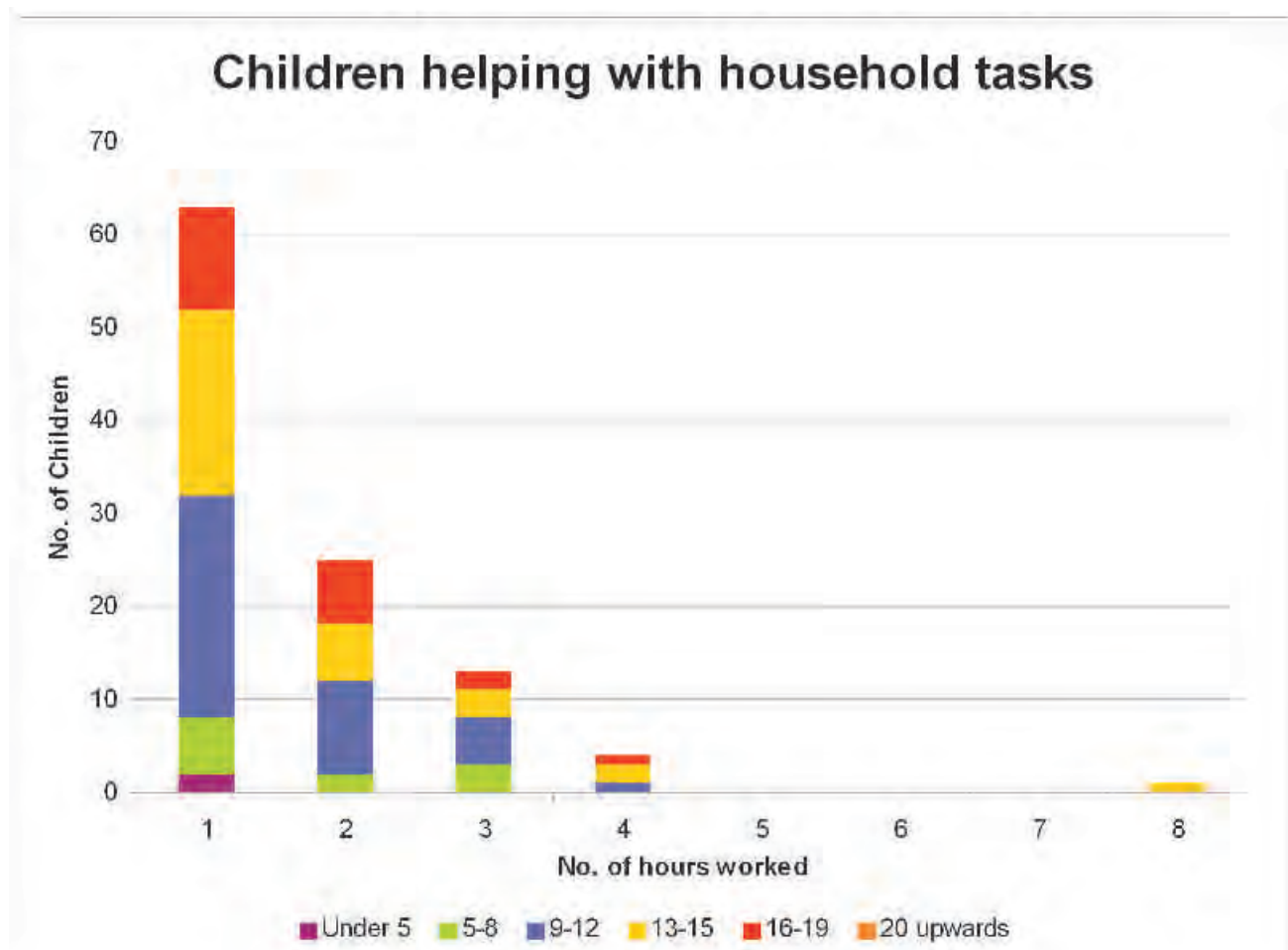
All the women were asked whether their children helped them with their business, and if so what they did and how many hours they would normally do this on a school day. Without exception, the women all said that their children had not missed any school because of helping with their business. In 22 households the children did not help at all according to their mothers. In the remaining households the chart below shows the number of hours the mothers said their children worked per day, and also shows the ages of the children:



The women whose children did help were asked whether they thought it benefited their children. Below are some of the responses:

- “They need to learn the skills of running a business as I may not be there in their future.”
- “Not really but I need them to do it.”
- “It's important that they know they can do something to help pay the school fees.”
- “They can have some spending money if they help.”
- “He sees the problems at home and it is good he can do something to help.”
- “They learn to do things that will help them in their futures.”

All of the women were asked which of their children, if any, helped with household tasks, which tasks they did and how many hours it takes them on a normal school day. There were only four households where no children helped with household tasks. The chart below shows the number of hours per day that children spent helping according to their mothers:





## 7. Plans for the future

All the women were asked what businesses they would like to run in the future and what prevents them from doing this.

This is what some of the women said:

- 13 women want to open a grocery shop. (Two want to do this in addition to their current business)
- 8 women want to start selling second hand clothes
- One woman wants to start selling new clothes
- One woman wants buy a minibus so her children will inherit a good business
- One woman wants to open a restaurant
- Three women want to build a house and rent it for income

42 of the women said that they needed more capital to realise their plans for the future. A couple of women said they could not fulfil their plans until their children were older.





## Section D - Responding to the voices of women and children

Opportunities for  
MicroLoan and donors



# Responding to the voices

Some key messages emerged from the interviews with the women and children which raise challenges and opportunities for MicroLoan if they are to respond to what has been said.

## **I. The Message:**

### **MicroLoan has made a positive difference to the lives of children**

In response to the open question “what difference have loans made to your household?” 91% of women said they had made a positive difference with 53% saying they have made a big difference. The information the women gave about their incomes pre and post loans indicated that 78% of the women have seen an increase. These responses show a very similar pattern to a more formal research study carried out on a sample of MicroLoan clients in 2008 “*Baseline Survey of MicroLoan Foundation and Microventures Programmes*” Murphy Kajumi et al which showed that 80% of clients identified an increase in the income of their MicroLoan businesses after receiving loans.

The main purpose of this current study was to identify the impact of any change on the lives of children. 81% of the mothers said in response to an open question that their children’s health had improved because of better diet. The more detailed responses show that there was a change for many children in the number of meals they ate per day, particularly during the rainy season when food is less available. Some of the children spoke powerfully about how bad it feels to go to school hungry, as before the loans many families went without breakfast. The impact of missing a meal is magnified when children have such a basic diet with a very low protein component, as shown by the chart on page 29.

The other area where the women said there had been a major improvement for their children was in school attendance. The percentage of families where the children missed days at school because of no uniform fell from 56% before the loans to 5% post loans.

The percentage of families where the children missed school because the parent(s) could not afford the secondary school fees fell from 53% to 5%. There was only one situation where the mother’s account was not supported by the information from her child.

Given the importance of diet and school attendance to achieving better long-term outcomes for children these are important messages, and MicroLoan should be able to demonstrate success in these areas in a more formal way with a structured evaluation over time.

Given the scale of poverty in Malawi, the challenge emerging from these positive indications is to grow MicroLoan to enable more women to improve the quality of their children’s lives.

## **The Challenge: Growing MicroLoan**



## **2. The Message:**

### **Women want to increase the value of their loans**

All the women interviewed have plans for their future, most of which involve diversifying their businesses. They all identified increasing the value of their loans as critical to them achieving their ambitions.

It is recognised that this priority for the women needs to be balanced with an independent assessment of each client's ability to expand their business so that they can make timely loan repayments.

## **The Challenge:**

### **Supporting women to access increased capital**

## **3. The Message:**

### **Making a success of running a business is a very difficult task in the Malawian context, particularly in the early stages and particularly if you are very poor to begin with.**

All the women were asked what difficulties they had experienced in running their businesses and, with the exception of two, they identified a very difficult business environment. Many women talked about the problems of seasonal differences and how, during the rainy season, the price they have to pay for their product rises and the availability of money among their potential customers to buy goods decreases. In addition to the normal seasonal variations all the women selling fish said bad weather had been a particular problem over the last year, reducing the volume of fish available. Some women identified saturation of the market in their particular business area.

If the business environment is difficult for all women, it is even more difficult for women who start with extremely low incomes as they have nothing in reserve to draw on. Twelve (28%) of the women reported that their weekly household income was less than 1000kw (£4.16) before they received their loans. Six of these twelve women still had a household net income (after their loan repayments) of less than 1000kw when they were interviewed. All except one were in the first year of the programme and demonstrated in their interviews that they were struggling. Although they described their loan groups as helpful, it appeared they needed more support to be able to manage through this initial period and grow a sustainable business. Although the sample involved in this study is too small to draw clear conclusions, the indications are that if women were asked about their household income when they start on the programme, and those on the lowest incomes receive additional support, this could make an important difference.

## **The Challenge:**

### **Enabling the most vulnerable women to succeed**

#### **4. The Message:**

**The young people interviewed had very high expectations for their futures but their ambitions are unrealistic.**

A very striking theme to emerge from the interviews with the children was that they all could immediately identify an ambition for their future employment but that their ambitions were unrealistic in the extreme given the external context of employment in Malawi. This pattern did not shift significantly as the age of the young people increased, so older teenagers were still identifying their aspirations to be doctors or pilots, etc., even though many had not even completed their primary education. When probed on this many were not able to identify a realistic plan for their future. Given the national statistics (see section A of this report) the majority of these young people will end up as farmers, running their own businesses or failing to gain employment. Of the 74 children interviewed on this topic either individually or in a group, only seven stated one of these occupations as part of their future plans.

This pattern may well be common for all young people in Malawi but the opportunity for MicroLoan, with the appropriate support from donors, is significant for two reasons:

The first is that in a sense they have a 'captive' audience of young people through the links to the mothers. There is a manageable discreet group of young people who could benefit from a targeted intervention during their later teenage years to prevent them becoming unemployed and disaffected. It is beyond the scope of this report to identify the possible range of interventions but they could be drawn from the following:

- trainee loan groups
- focused skill development courses
- guidance sessions on how to plan for their futures realistically

The accounts given by the women in this study show that they value highly the education of their children, and ensuring school expenses are paid is a high priority when deciding how to spend their profit. In the current external context, very few of the children are likely to be able to undertake tertiary education and their prospects for good employment are therefore poor. (*UNESCO Institute for Statistics 2002 most recent data: 4,565 young people in tertiary education*). In order to build on the efforts that the women have made, a well designed intervention programme could make a significant difference.

Secondly, unless something is done to enable these young people to earn a living, they are likely to remain dependent on their mothers for many years, reducing the resources available to support the younger children in the household.

#### **The Challenge:**

**Supporting older children of MicroLoan clients to plan and train for future employment.**

## Concluding remarks

MicroLoan is a relatively young organisation that has developed rapidly over the last six years so that it can now provide its services to women across Malawi. One of the strengths of the organisation is that it has been flexible in its development and is prepared to critically evaluate itself in relation to its long term goals as it develops. Commissioning this study was a contribution to this process of critical evaluation.

Within the field of microfinance it was an unusual step to place the focus on listening to children, and to mothers talking about the impact of receiving loans on their children. Although by virtue of its methodology no definite results can be concluded from this study, from its qualitative approach some significant themes emerged that resonate with the priorities of the women and children themselves.

For the authors it has been a privilege to undertake this work, both because of the opportunities it has provided to work alongside a very committed staff group in the UK and Malawi, and also because so many mothers and their children have been willing to open their homes and talk revealingly about their circumstances.

The overwhelming impression left with us both is of women who have such an amazing spirit and resilience that they can not only survive day after day in conditions of poverty that would be daunting for even a few days, but can think and plan so positively for the futures of their children. Likewise, the children show an openness and optimistic spirit that is remarkable given the reality of their situation.

It is our view, after involvement in this study, that MicroLoan is helping women across Malawi to take small steps out of poverty that nevertheless make a significant difference to the lives of their children, and we hope this is conveyed in this report. Listening to the voices of these women and children opens up some real opportunities for MicroLoan to continue its expansion and consider the development of service enhancements. This will not be possible without the continuing support of the many donors who have enabled the organisation to achieve all that it has so far, but also new donors who are prepared to fund pilot projects that seek to enhance the life chances of children in this area of the world where prospects are currently so limited.



## Appendix

### Results of poverty assessment survey for 43 women interviewed

Household	
Number of households without electricity	35
Number of households with 3 or less rooms	32
Numbers of households with mud floors	24

Marital status	
Number of women in one to one marriage	26
Polygamous marriages	4
Number of women separated	3
Number of women widowed	8

Household size and children	
Average size of household	7.5
Average number of child dependents per household	4.4
Total number of child dependents	109

Time in MicroLoan programme	
12 months or less	19
13 - 24 months	11
25 - 36 months	6
37 – 48 months	6
49 months plus	1

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