

# CASE STORY ON GENDER DIMENSION OF AID FOR TRADE

**Women's Economic Empowerment through Technology,  
Capacity Building & Right to Access of Information: A Success  
Story of Village Phone Women in Bangladesh**

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## **Background**

Women's empowerment in Bangladesh is directly related to its economic development as seen through this successful project of Grameen Telecom, an affiliate of Grameen Family Prof Muhammad Yunus and his vision to eradicate poverty from the world brought a dream into reality through Village Phone Project of Grameen Telecom: A project based to empower women/Ladies Project way back from 1998.

He touched the lives of thousands of unskilled, illiterate women in remotest villages of Bangladesh , where still in most villages there is no electricity and possibilities of power is still a dream.

Points to focus mainly are as follows:

- Support Strengthen Women's professional capacity & commercial network
- Strengthen Women's Economic rights & Independence through skill Development & capacity building
- Women's equal Access to opportunity & employment
- Give women Safe Working environment, HSE & general living within their home

As a true visionary leader, his focus was in addressing the major concern of any country the huge population of 16 crore in Bangladesh of which 52% approximately are women that is approximate 9 crore women in the country.

Target at initial stage of connecting the remote villages to their families , specially male folks who are working outside in foreign countries as labors. And connecting them to adjacent villagers, farmers. Giving them empowerment of earning, knowledge/information and connectivity of the world in their palm with right access to information.

### **1. Issues addressed :**

When the Grameen Phone was issued with the License by the Government of Bangladesh, Grameen Bank was the main sponsor in partnership with Telenor of Norway. At that point in time, the lone Mobile operator with a CDMA license had less than 5,000 subscribers, after 5 years of operation.

Grameen Bank had thousands of branches nationwide to support it's micro credit operations. Tthe micro credit network operates on the basis of mutual guarantees provided by each of the core group's participating members; e.g. each member will vouch for the loans taken out by each, meaning that if one member defaults on repayment, then it becomes the group's obligation to ensure repayment. Grameen Bank's affiliated company, the Grameen Telecom initiated this project with Grameen Phone.

The basic livelihood of these women who were part of this group were farmers. Through extensive motivational and awareness program and concentrated effort these women were given mobile phones to start selling calls as a model of business. These mobile phones are charged through solar powered batteries. Car batteries are used through solar power technology and phone chargers are charged in turn to charge GSM mobiles used by these thousand villages phone ladies.

It was already known and proved by the GB that, among it's borrowers

- a. women were the more diligent and honest borrowers
- b. women spent almost all their money on the children and to support the on the family, as opposed to men, who spent a larger proportion on themselves than the family.
- c. Women were more hardworking
- d. Women were struggling to break free from male domination and were ready to accept new ideas instruments.

### **2. Main Objectives : Women's Empowerment:**

Professor Yunus, the head of the Grameen Bank believed that women, even among the poor, were bankable and " had a right to access credit. " This philosophy was already being given shape through Grameen Bank, and it was this belief and confidence in women that encouraged him to entrust the

*Phonelady concept* on women to test the intellectual capabilities and limits of these semi-literate women to handle a radical technological challenge apart from the entrepreneurial and managerial aspect of it. The objective was to put “faith” in women’s capacity and that trust was repaid in full.

### **3. Design and Implementation:**

Women were encouraged to take up this venture which was being supported both at the technology level and financing level by GB through a subsidiary company that was created for this handholding operation working with women who were being picked and encouraged to break social barriers. GP had dedicated special resources like us to ensure 24/7 support dedicated to service and support and information to the village phone ladies to make a success of it through one point call centre which was dedicated 24/7 to their need.

Grameen Shakti was another dream affiliate of Professor Yunus which gave the support to teach them and provide them solar powered batteries to charge the mobiles. As most of the Village phone ladies carry on business by charging their mobiles through Solar powered /chargers, they are far more eco-friendly and bring about stability in the environment, though it is a technological advance in ICT.

### **4. Problems encountered:**

Because it was perceived as being what it was intended to be, i.e.a women’s empowerment at it’s best, the first objections were raised by the men in the village. Major grounds for objection, was the size of the loan (which was huge compared to the normal micro credit package),the technological challenge; and the viability of the investment. In addition was the men’s fear of loss of authority. However, in almost all the households, the men were very amicably accepted positions of equality with the women. The best was it was *men* who supported this initiative the most. Many left their own business to ensure this business flourished in leaps and bound.

### **5. Factors for Success :**

The availability of a telecommunication tool in the remote villages meant access to information, which opened up communication with the outside world and the markets, including services. The phones simply opened up a world of opportunities for all around and there were many more users than had been anticipated. For individual families, this had a multiplier effect, in raising their standard of living as well affording better schooling, food and improved living quarters for the family. Few instances of individual phone ladies hurdles were mainly due to the technological management aspect of it, because the batteries / accumulators needed to store the solar power to charge the mobile antennae as well as the phones, needed regular and proper servicing; aspects which were beyond their area of responsibility.

Capacity-building was addressed through technical support provided by the Grameen Telecom, a sister concerned of Grameen Bank, which included opening doors to endless information and direct access to business. Suggested training included basic computer training for village phone ladies. Awareness raising of women and girl child to the use of mobile phones and computers through basic literacy to computer use would give rise to further economic development in the country. This resulted in thousands of basic computer literacy trainings consisting mainly through an introduction on how to get information and voice based updates through short messaging service and inter active voice response. It meant however that the days of exploitation by middlemen were over.

### **6. Results**

The heart of this change and empowerment of these ladies are true inspiration for many other women in different villages. They do their own advocacy and more women can ask for the right to information through technology now. The hurdles and scare about technology in the villages have been broken down. They know it is for their well being and better life for all.

More than 20 thousand women of these villages were addressed through these projects leading to profitable business and economic empowerment of women. The largest bottom billion, the grass root people of the country were being heard. They were looked upon in villages, respected by men in society. Thus given high rise to courage and confidence to women to be heard in the country.

A family of less than a dollar earning went to almost 100 us dollar earning or more with time .The root cause of eradicating poverty was addressed by technology with capacity building leading to economic development and independence of one of the poorest nations in the world.

7. **The Results Indicators** are measurable by the followings improvement through surveys:

1. Better Health for Mothers & family: Decrease of death of women in child birth
2. Improved Health Care for over all village people
3. Increase of literacy rate : more children going to school
4. Child mortality rate has significantly changed over the years: access to information
5. Increase of per capita income: economic empowerment
6. Higher foreign remittance in the Country through labor force remittance which is one of the highest source of income generation: ease of communication and peace of mind leading to positive GDP
7. Right to information through mobiles in remote villages
8. Better business sense and the right of choice
9. Increase of 2<sup>nd</sup> generation of innovative Entrepreneurs by thousand

**8. Lessons learned & Replicability:**

Lessons learned were not only invaluable, but also helped to reinforce those visions of Prof. Yunus who believed that women can do what men can do, or even better. When the Phone Ladies demonstrated that they can handle the complexities of the challenge, it became easier for everyone all over the world to prove and propagate not only the feasibility of women's empowerment but also it's inevitability.

This success has added a solid foundation to voices raised to ensure the empowerment of women in all spheres of society and encouraged all those activists devoted to this goal. Thus women were given a social platform and a voice to be heard.