

AN ABSTRACT OF THE THESIS OF

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Abstract approved:

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This study employs interdisciplinary methods to make transnational feminist sense of the microfinance phenomenon. Drawing upon a combination of discourse approach, textual analysis, political economics and critical theory construction, I fused a feminist critical discourse approach to excavate microfinance from neoliberalism. I designed an economic justice framework and executed an in-depth study of Muhammad Yunus and Grameen Bank publications. Seeking to unveil inequalities of power that perpetuate economic injustice against women of color worldwide, I further conducted an analysis of the ontology of microfinance and neoliberalism itself, using the economic justice framework I designed as my analytical tool. I chart the promise of transnational feminist analysis to (re)configure oppressive structures into more just possibilities of our social world. Specifically, while other feminist scholars have begun to critique microfinance from various entry points, I (re)imagine microfinance as an element of an *economics of promise*. Acknowledging the structural dimensions that create poverty and applying that framework to our understandings of the practices of

microcredit, I posit an *economics of promise* through which microfinance can be deployed strategically as a political act for economic justice.

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Transnational Feminism and the Microfinance (R)evolution:
Excavating Microlending from Neoliberalism

by
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I understand that my thesis will become part of the permanent collection of Oregon State University libraries. My signature below authorized release of my thesis to any reader upon request.

Heather Montes Ireland, Author

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Transnational Feminism and the Microfinance (R)evolution:
Excavating Microlending from Neoliberalism

Chapter 1: Introduction

Transnational feminist and U.S. women of color scholarship have documented the detrimental consequences of neoliberal economic restructuring and capitalist globalization on poor women of color of both the global North and South (Hill Collins 2000; Mohanty 1991; Shiva 2002; Naples & Desai 2003). Indeed, capitalism has shown itself as an economic system that is exploitative of women and the gendered division of labor from its early development. An interrogation of the history of U.S. capital demonstrates that, it has always been interested in the subjugation of racialized women. “Controlling black women’s bodies has been especially important for capitalis[m],” Hill Collins (2000) conveys, and “black women’s labor, sexuality and fertility have all been exploited” (143) via capitalist devices, beginning with the slavery system and continuing to modern day neocolonial global capital systems.

In the new global economy, feminists have critiqued the neocolonial processes of neoliberalism whereby structural adjustment policies have been enacted by State governments at the recommendation of the IMF and World Bank, having serious consequences for women living in poverty. Increased privatization and corporatization and decreased spending on social services leave women balancing the reliance on the power of their incomes along with the escalating demands on their unpaid labor at home (Desai 2003; Erevelles 2006). Critics have pointed out the suspect intentions of the IMF and World Bank policies in relation to women who they (claim to) seek to help. Nirmala Erevelles (2006) entreats us to bring a critical feminist eye to “explore

policy development and institutional power from a historical perspective, and to *always* interrogate whose interests are being served” (25). Rather than feminists accepting as true what global elite players such as the UN tell us is empowering to women, we must bring a critical feminist eye to all policies, both those that claim to be gender-oriented and those that do not.

Currently microfinance, touted by the power elite, has effectively operated as a project almost impervious to critique. Despite the feminist critiques of neoliberalism, globalization, and development, which have “delegitimized economic restructuring” (Desai 2009, 94), microfinance has become one of the most normalized aspects of neoliberal development programs of NGOs and the UN system (Karim 2011). Microfinance programs give microloans, the equivalent of typically \$50-\$100 US, primarily to poor women of the global South. Women are targeted for loans primarily because they have shown to be a good risk, and they invest more funds into family welfare than men. Microcredit is touted as empowering women to move up out of poverty as borrowers are expected to use these funds to start small businesses, or microenterprises. However, if feminists are to make interventions into every area of political economy that impacts women’s lives, it is imperative that we understand microfinance in its current form as a tool of neoliberal global(izing) capital.

“There is something astonishingly different,” writes Jude L. Fernando (2006), “about how gender-theorists/feminists approach the impact of microcredit credit and other development interventions, e.g. the structural adjustments and free-trade zones on women. They appear to be more complacent and less critical about the former than

the latter” (25). Why is it that microfinance has been undertheorized by feminist political economists and is seemingly beyond feminist critique? I believe that the rhetorical associations of microfinance with women’s empowerment influence the ways both feminists and nonfeminists think about microfinance and its effects on women’s lives. Despite the rhetoric of women’s empowerment that circulates about microfinance by its advocates and institutions, its discourses and practices are constructed in ways that actually *disempower* women.

I contend that microfinance, as it currently exists, does not attend to the cause of transnational feminist economic justice. Instead of dismissing microfinance entirely, I attempt to theorize the ways that microcredit could become a tool for economic justice and “noncapitalist” economic formations (Gibson-Graham 2006) and further contribute to “non-corporate globalizations” Manisha Desai (2009) speaks of. It is easy to assume that a policy that targets women, and asserts to empower them, *must* be feminist. Nonetheless, feminists know the World Bank, IMF, and other global powers have not yet instituted a radical course of action to alter the gendered world order. Instead of being satisfied with policies that appear to benefit women, which is a vantage point from the top down, we must as Chandra Talpade Mohanty (2003) writes, read up the power structure, as I attempt to do in this thesis.

Feminists have made similar explorations into neoliberal globalization and development, such as structural adjustment programs, export processing zones, and biopiracy, for instance (see Shiva 2002; Naples & Desai 2002; Mohanty 2003; Gunewardena & Kingsolver 2007). However, I am specifically looking at the subset of

microfinance projects to discern the ways in which this aspect of neoliberal development may in fact hold potential as an instrument of transnational feminist economic justice projects. Through my research, I propose a new angle to envision the radical transformation of microfinance outside of neoliberalism.

When I claim that, regardless of the rhetoric of poverty alleviation, the contemporary model of microfinance that is globally dominant does not promote economic justice, this warrants a definition of economic justice clearly defined at the outset. In the next chapter, “Economic Justice as Transnational Feminist Praxis: A Framework,” I develop a paradigm consisting of five economic justice principles fashioned from transnational feminist anticapitalist critique. This paradigm provides not only a definition but moreover an analytical tool with which to unearth microfinance from the neoliberal capitalist discourses in which it is deeply embedded, and to attempt discovery of non-capitalist openings in a seemingly all-encompassing capitalist economic fabric.

In the third chapter, “Mapping Microfinance Pitfalls,” I scrutinize the ways that microfinance and its discourses dislocate the cause of economic justice. I seek to understand how microfinance is caught up in a web of neoliberal structural violence in women’s lives while claiming to empower women. Being attentive to the ways in which gender and class are conveyed in discourses of microfinance programs, I look predominantly at how Muhammad Yunus, founder of the Grameen bank, endorses microcredit as an antidote to poverty. I put forth a critique of dominant formations of

microfinance which employ the language of gender to advance its agendas without applying an analysis of gender that is conscious of women's oppression.

After offering a critique of microfinance discourses and configurations, in the subsequent chapter, "Rethinking Microfinance: Beyond 'Softening Capitalism's Hard Edges'," I explore how we might dislodge microcredit from the neoliberal purposes it serves in the contemporary regime of global capital. In particular, I explore microfinance as a site of non-capitalist economic arrangement and postulate three transformative feminist (re)configurations of microfinance as economic justice. Finally, in my conclusion, I point to ways to connect microfinance critique and its transformational possibilities in non-neoliberal formations to our present-day global economic crisis.

Theoretical Frame

This thesis offers three specific contributions, the first of which is an original economic justice paradigm that I have constructed through a transnational feminist anti-capitalist critique. Utilized here to apply transnational feminist understandings to microfinance specifically, hopefully its efficacy will extend to other projects deemed by dominant narratives as feminist- or social justice-oriented. Secondly, I present a nuanced critique of microfinance as it is located within the structural power dynamics of women's lives. This critique of microfinance situates it within the larger feminist body of knowledge of economic globalization, neoliberal capital, and development, rather than a feminist empowerment project. Lastly, I chart the promise of transnational feminist analysis to (re)configure oppressive structures into more just

possibilities of our social world. Specifically, while other feminist scholars have begun to critique microfinance from various entry points, I (re)imagine microfinance as an element of an *economics of promise*.

My analysis is greatly influenced by three feminist thinkers: Chandra Talpade Mohanty on transnational feminism as anticapitalist critique, Patricia Hill Collins on historicizing capitalism as inherently exploitative to women of color, and Paul Farmer on *structural violence* as encompassing complex arrangements of power and domination. As part of my research, I investigate how microfinance programs claim to alleviate poverty though most often succeed in ultimately exacerbating women's disempowerment. This happens particularly through the neoliberal policies and practices microfinance is currently caught up with, that endorse privatization of every aspect of our social lives. According to Mohanty, neoliberal capitalism is not aligned with feminist visions of an equitable social world. Additionally, she points to the need for a feminist anticapitalist analysis that is attentive to race and globalization.

Prior to gaining understanding of the intricacies of global capital, neoliberalism, economic restructuring and development, I recognized the way women's bodies were exploited by means of capital accumulation for the economic elite in white supremacist heteropatriarchy. Hill Collins' intersectional analysis of race, gender and class in her theories of Black women's bodies under capitalism provided new ways to think about women's unpaid, reproductive and paid labor. I've also drawn from her notions of *controlling images* of Black women, particularly Black

single mothers in poverty, to think about how microfinance discourse shapes images of poor women of color in the South, and what purposes this serves.

Whereas I believe strongly that economic justice must be employed to counter economic violence, Farmer's articulation of *structural violence* provides a more intersectional expression of the ways race, class, gender, neoliberalism and poverty traverse women's lives. As I point out in chapter 2, economic justice must center intersectional analyses to be effective in contesting neoliberal capitalism and corporate globalization that perpetuate exploitation of women. Further, structural violence incorporates meanings permeated with both "individual experience and the larger social matrix in which it is embedded in order to see how various social processes and events come to be translated into personal distress" (Farmer 329). An assessment of structural violence can facilitate analyses that avoid reductionist tendencies which focus on one aspect of social location to explain oppression, and can instead reveal a "political economy of brutality" (Farmer 337) that must be accounted for to shape what I will term an *economics of promise*. This term I use to illuminate the possibility of a mode of economic interaction that values the capabilities and capacities of human beings to thrive, above profits. It further suggests a non-capitalist perspective of how "profits" might be reconceptualized in/for a just social world—as not what is accumulated by the rich at the expense of the poor, but what the world gains from the fulfillment of human capability.

My effort to understand and critique the embeddedness of microfinance within neoliberal capitalist discourse and practice also propels me to interrogate how and why

economic violence keeps falling on certain bodies in order to intervene in these processes. In our current social, political, and economic global system, these are generally the bodies of women, people of color, and poor people. Poor and working-class women of color, both in the global North and South, experience multiple forms of structural, economic violence. How might economic justice, discussed in my second chapter, address such forms of violence? How might credit be a human right, as Yunus argues? And is this a useful concept for an agenda of economic justice?

Methodology

Interdisciplinarity

My research employs interdisciplinary methods to make transnational feminist sense of the microfinance phenomenon. Women's studies and ethnic studies came out of the interdisciplinary university reforms of 1960's and have offered dynamic new ways of understanding social phenomena. While interdisciplinary research has much in common with disciplinary research, such as planning an overall approach and identifying research questions, it also differs in important ways. W.H. Newell (1990, as cited in Repko, A. F., 2008) identifies two characteristics of interdisciplinary research: (1) it draws from disciplinary perspectives in an integrative way to understand complex problems and (2) it requires the researcher to employ "creative imagination" to perform several steps of the process (74).

Similarly, Cinthya Saavedra and Ellen Nymark (2008) discuss the hybrid nature of women of color feminist methodologies, specifically those invoked in borderland-*mestizaje* feminism:

Using multiple methods and epistemologies, Chicana feminists focus and analyze the gender, class, and race “blank spots” left (intentionally or not) by dominant ideology and discourse (Anzaldúa, 1990) in order to expose ways to maneuver through theory (making, living, and rebuilding) and create *nuevas teorías*—[theories] that reflect our understanding of the world and how to critically transform it (255).

These “blank spots” in the discourse and ideology of microfinance—for instance, how microfinance was (not) attending to structural violence—is one reason that compelled me to interrogate it.

Specifically, this research is assembled drawing upon an interdisciplinary formation of discourse approach, textual analysis, political economics and critical theory construction in what I identify as feminist critical discourse approach. Some scholars have argued that critical discourse analysis is not a distinct method, but rather a critical perspective on social problems that has particular value in interdisciplinary studies (van Dijk 2001; Wodak 2002; Baxter 2003). My usage of feminist critical discourse approach as method is to differentiate from a traditional usage of the idea of discourse as linguistics, which I address next.

Discourse

When I set out to understand the phenomenon of microfinance, I soon realized there is not an abundance of literature on the topic—or rather, there is not much critical literature about microfinance authored by *feminists*. Studies and texts proliferate from Muhammad Yunus, the Grameen Bank and other NGOs, and from

Western microcredit advocates. Mainly, the literature reflects a master narrative that microfinance is the panacea for poverty and that women are targeted mainly because they are important to the community/development. Needless to say, in the dominant microfinance discourse, women are “empowered” through microfinance programs. Very little could be found on microfinance from the standpoint of feminists or from borrowers themselves. In order to comprehend “the microfinance revolution” that increasingly gains acceptance as an important aspect of Western-style development, and to produce new feminist understandings of it, I explored the discourse around microfinance to understand the ways it was shaping how microcredit programs are deployed in women’s lives by global powers.

The discourse approach that I use employs discourse not as simply a linguistic concept but shifts the attention from passages of connected writing or speech, to systems of representation. This is illustrated by Stuart Hall’s (2001) analysis of the meanings Foucault gave discourse:

It is about language *and* practice. It attempts to overcome the traditional distinction between what one *says* (language) and what one *does* (practice). Discourse, Foucault argues, constructs the topic. It defines and produces the objects of our knowledge. It governs the way that a topic can be meaningfully talked about and reasoned about. It also influences how ideas are put into practice and used to regulate the conduct of others (72).

Therefore, as Hall (2001) notes, since all practices entail meanings that shape what we do, all practices have a discursive aspect.

Judith Baxter (2003) reiterates that discourse can refer to language specifically or to everything that constructs and makes meaning of an object. For the purposes of my research, neoliberalism itself operates as a discursive text that shapes microfinance discourses and practices. I wanted to understand how microfinance operates the way that it does by problematizing how microcredit programs were beloved by both capitalists and social justice advocates alike. How might transnational feminists be able to interpret the microfinance movement?

Research Design

Allen Repko (2008) emphasizes the non-linearity of the interdisciplinary research process. So while this thesis is separated into three main components, delineated as chapters, they are not discrete parts. The sections are connected to each other and inform the other, and though I describe the process rather linearly below, the reality of the project has entailed boundary-crossing to a far greater extent. I carried out a deep study of Muhammad Yunus and Grameen Bank publications, reviewed the literature on microfinance, and conducted an analysis of the ontology of microfinance and neoliberalism itself using the economic justice framework I designed as my analytical tool.

The questions I began with were: how were women's lives being impacted by participation in microfinance programs? And how were they likely to be impacted? Was microfinance the *answer* to the endemic poverty in women's lives worldwide? If microfinance was not the panacea to poverty, as touted, but was flourishing as a primary poverty alleviation policy instrument, who was it benefiting? Was

microfinance advancing economic justice? By beginning with mapping the pitfalls of microfinance through a transnational feminist critique, was it possible that it could be transformed into a tool for economic justice?

I designed a paradigm through which I could sift through the quasi-feminist “empowerment” rhetoric to better understand power relations of microfinance. After critiquing microfinance discourse and enhancing my understanding of the problems associated with it, I wanted to address the social realities. Microfinance is a widely recognized method to attend to poverty that purposely targets women—so how could I keep in mind the material actualities of women’s lives in poverty and justify those with the problems microfinance presents, specifically as a main agent of neoliberal aid and development agencies? Feminist critique can delegitimize microfinance as empowering for women, but as Desai argues, critiques “have not led to real economic well-being for the majority of the world’s poor” (2009, 94). Here I utilized a transnational feminist method that Mohanty (2003) articulates: a place-based methodology, starting with the positionality of women affected by poverty and accordingly “reading up” the power structure. I sought a way to push beyond the confines of critique to put forward points of action to make our social world more equitable for poor racialized women and all marginalized populations—and so I endeavored to rethink microfinance.

A Methodology of Hope

While what comprises *feminist methods* seems to differ greatly from researcher to researcher in what appear to be sometimes contradictory ways, I feel strongly what

differentiates feminist scholarship from other fields (e.g., interdisciplinarity) is that it is scholarship completed for an explicitly political purpose. Feminist research takes up issues of power, authority, ethics and reflexivity, and feminist researchers ask new questions (Hesse-Biber 2007). Borderland-mestizaje feminism, as a method and an epistemology, allows “[creation] of critical tools *para usar contra* dominant ideologies and methods. We take what works for our survival and for our communities. Where a theory or method is not sufficient enough, we expand, perhaps fragment, the theoretical and methodological boundaries” (Saavedra & Nymark, 257). In this thesis, I have unquestionably pursued this information so as to practice social justice. As a working-class Latina feminist, my scholarship and theory emerges from my own resistance to exploitation and structural violence, as well as that of my communities.

In my attempt to make transnational feminist sense of microfinance, I have employed a critical *methodology of hope*, inspired from Freire that “hope is an ontological need” (1992). Feminists must envisage a way to undermine the power of forces of domination in an unjust world. To do so in this work, I undertook the challenge to create in my research approach “a knowledge environment hospitable to economic alternatives” to capitalism (Gibson-Graham, xiii). Might hope be a methodology? I believe a *methodology of hope* strives for progressive social change and the vision of a more equitable world, and considers it possible through the emancipatory potential of feminist theory and praxis. This makes *hope* not only a methodology, but a feminist one at that; as Sprague (2006) writes, “understanding how

things work is not enough—[feminists] need to take action” (3). That action—and activist feminist research—fulfills the promise of emancipatory feminist analysis.

Chapter 2: Economic Justice as Transnational Feminist Praxis: A Framework

[T]oday we find our hard-won gains under attack and rolled back. This is because we reformed the system but did not change it fundamentally. Today's movement needs a vision looking forward [...] What is our consciousness and analysis of the system? What is our vision?
--Katz-Fishman and Scott, 2008

Global economic justice—as paradigm and practice—must be central to all of our feminist analyses and understandings of social and political issues. In centering economic justice, we may begin to see which tools we employ are short-term fixes that will not create long-term social change that, as Chandra Talpade Mohanty describes, must be a “collective, theoretical feminist vision that focuses on the radical transformation of the everyday lives of women and men” (6). Rather, a radical vision of global economic justice challenges hegemonic systems of domination by white supremacist capitalist heteropatriarchy. This vision requires feminists to seek out answers that often stretch beyond the more “acceptable” social issues and political questions that receive support, however lackluster, from the larger public and from the academic institution.

For example, while microfinance as a tool for women in the global South has received a great deal of support from the larger public, especially those in the North, I argue that feminists should not accept microfinance in its current form as a means to forward transnational feminist agendas of social and economic justice. In this chapter, I provide a framework of transnational feminist-informed, global economic justice, and then in the next chapter I will utilize this framework to map the pitfalls of microfinance. First, I briefly discuss the literature on economic justice in the global

North and how the poverty discourse shapes ideologies about the poor and causes of poverty. Next, I examine the literature on development and global justice, and transnational feminist understandings of neoliberalism and globalization. I will then attend to constructing an economic justice paradigm by first tracing this framework's genealogies in and differentiations from socialist feminism. Then, I indicate how transnational feminist anticapitalist critique frames and informs an economic justice-centered feminism, and the significance of economic justice in this project and within greater social justice and feminist movements. Lastly, I outline economic justice as transnational feminist paradigm and praxis.

Economic Justice

In the literature on poverty, wealth and economic justice in the U.S. and in most Western texts on economic justice in the "Third world," the overwhelming majority of works are by men, mainly white/Western male economists (Tullock 1986). In these works, race and gender are very rarely accounted for, and the feminization of poverty is conspicuously unacknowledged. When addressing poverty, many of these authors do so at arm's length, presenting a somewhat detached moral attitude of *we should help them*—the poor. Assumingly, "we" refers to the affluent, a cohesive group of middle class or upper class men, who see the poor as a distinct and monolithic "them," a category of poor people quite unlike themselves. This outsider- looking-in viewpoint implies a power dynamic that goes unacknowledged (that of the person who "helps"), naturalizes the structural violence of poverty, and fails to recognize the various poverty is shaped by sociohistorical contexts.

The economic justice paradigm that I suggest presses forward from socialist feminist analysis through transnational feminist anticapitalist critique and breaks from single-axis, white/Western male-centered, nonfeminist models of justice that focus on poverty as something that happens “elsewhere,” outside of the Euro-American nation-state in particular, disregarding the interconnected nature of global inequities and hegemonies. For instance, both socialist feminist and white male nonfeminist analyses of poverty neglect the ways Western economic imperialism and neoliberalism have contributed to a rise in poverty for women worldwide (Mohanty 2003).

Rather, our analysis and organizing around poverty issues ought to be “geographically broad and historically deep” (Farmer, 337), incorporating a complex analysis of the political economy of poverty and economic disparities, taking into account colonialism, imperialism, globalization, neoliberal capitalism and the investments these processes have in gendered, racialized, heteropatriarchal systems of power. Economic justice concepts and practices must stand in direct response to structural violence, as articulated by Paul Farmer, those “processes, historically given and often economically driven, by which human agency may be constrained, whether through ritual, routine, or the hard surfaces of life” (337).

Against the Persistence of the Bootstrap Myth

Too often, U.S.-centric views of the world and of social justice see poverty and economic injustice as something exclusive to “developing” countries. U.S. social justice agendas frequently focus on economic conditions in the third world, and issues of diversity and access at home. This generates a harmful duality between the rich

world and the poor world, creating a hierarchy that is typically associated with the superiority of Western culture, naturalizing poverty in the “Third world” and masking poverty and economic inequality in North America.

The majority of Americans, as well as increasingly more immigrants to the U.S. and others around the world, believe in some aspect of the “Bootstrap Myth.” This Eurocentric ideology asserts that those who work hard, no matter their socio-economic locations, have the ability to achieve as much as anyone else—even if that someone else has every available economic and political resource that others do not have by result of their location within the social structure. Though this is a narrow and relatively naïve understanding of the ways in which racism and sexism operate institutionally, the bootstrap myth permeates every aspect of American culture, discourse, policy and institutional practice. And the bootstrap myth becomes a particularly problematic ideology when we observe its effects on social welfare policies that disproportionately impact the lives of single mothers of color.

One way in which the bootstrap myth is reinscribed is through neoliberal corporatization of diversity ideology. David G. Embrick (2008) critiques this ideology and the leading conservative scholars who argue that the U.S. is a meritocratic society, disagreeing with those who claim that the system is fair, colorblind and gender blind. With more and more companies advertising themselves as “equal opportunity” employers and Jim Crow no longer legal, the public believes that discrimination is against the law and therefore the government can be relied upon to hold corporations accountable (Embrick, 24). Looking specifically at diversity rhetoric and hiring

practices of multinational corporations, he argues “[m]ainstream ideas regarding fairness, opportunity and racial and gender equality in big business run into a snag when forced to face the ‘white male solidarity’ that runs the corporate world” (24).

Another way that the bootstrap myth is maintained is through the Eurocentric ideology of the “possessive individual,” and in terms of economic theory, particularly a selfish individual. This individual is concerned only with his own selfish interests and pursues those interests single-mindedly, likely at the expense of others. Those selfish interests, most saliently money or profit, drive all of his actions and therefore propel “innovation” and business. Grameen Bank founder Muhammad Yunus writes in his most recent book that “economists have built their whole theory of business on the assumption that human beings do nothing in their economic lives besides pursue selfish interests [and] the optimal result for society will occur when each individual’s search for selfish benefit is given free rein” (xv). Yunus offers that there is a flaw in economic theory, though lacking in his critique is an analysis of Eurocentrism, patriarchy, and the cultural and political imperialism that underpin these capitalist ideologies, and moreover, the very ontology of economics.

Feminist scholars have disrupted the universality of this selfish individual to reveal who that mythical individual is and to historicize his construction—to reveal a white supremacist patriarchal individual who is invested in maintaining the gender and racial order, as “racialized and gendered difference equals profit in a global economy” (Kyungwon Hong xv). Judith Lorber (1994) highlights the paradox of individualism and women’s equal rights:

Equal rights for women is a goal that resonates with individualism and freedom of choice. Yet that goal failed because, legally, in order to be treated alike, people have to “be” alike, and the prevailing belief in Western societies is that women and men are intrinsically different (282).

While Yunus writes of a flaw or oversight in the theoretical construct of capitalism, he only alludes to the ways in which systems of oppression such as patriarchy and racism are structured by and for capitalism, while failing to explicitly address how those same “selfish individuals” are invested stakeholders in this system of exploitation. More insidiously, the naturalization of the selfish individual whose pursuit of profit and self-interest above all, reinforces the superiority of capitalism and profit above all else—so that the public identifies with money and profit over social justice and relationality. Hence, the seemingly logical discourse of attracting businesses, retaining jobs, and corporate pursuit of profit is viewed as the natural way of the world. Every citizen’s identity begins to be shaped in relation to the market and those who do not subscribe to such ideologies are marked as deviant in/through capitalist discourse.

However, capitalism and poverty—and who exactly it is that comprises the poor—are not a natural or inevitable part of the social order, but a social construct. As Katz (1989) conveys, though many philosophies of the causes for poverty refer to the theory of scarcity, as “nations emerge from the tyranny of subsistence, gain control over the production of wealth, develop the ability feed their citizens and generate surpluses, poverty becomes not the product of scarcity, but of political economy” (7). This is a political economy which is shaped by a discourse of poverty, which I attend to next.

The Poverty Discourse

Prevailing poverty discourse shapes and is shaped by *controlling images* and ideologies of the poor. Controlling images, according to Hill Collins, work to “help justify the social practices that characterize the matrix of domination in the United States” (93). Employing socially constructed categories to naturalize the conditions the poor find themselves in, whether attributing fault to the poor for their conditions or classifying them as better “suited” to their lot in life, provides easy explanations for a complex set of relations of structural violence. Baker (2000) articulates how the myth of pulling oneself up by the bootstraps intersects with controlling images to perpetuate inequality. These mythologies

mystify poverty by erasing the historical and economic conditions that produce, indeed require, it in advanced capitalism. These discourses then replace history with a cultural myth: that anyone who is willing to work hard will rise out of poverty and that anyone who cannot rise out of poverty is either unwilling to do so [...] or naturally incapable of any human development” (

So while poverty is a social construct which is derived from the very systems that we often claim empower citizens to succeed, controlling images and hegemonic discourse provide an excuse for the fractures in the system that blames poverty on the poor. Dorothy Allison (1994) terms this “the politics of *they*” and she interrogates how such politics are grounded in socially constructed categories of race, gender, sexuality and class which serve to justify the domination of a subjugated group by a dominant one: “I have tried to understand the politics of *they*, why human beings fear and

stigmatize the different while secretly dreading that they might be one of the different themselves” (35).

The discourse that constructs a politics of *they* around poverty frequently takes a dichotomous form that I seek to problematize, either a) denigration of the poor, marking them as different from other people, especially wealthy people, and further, as inferior (Katz 1989); or b) romanticization of poverty and of the poor as remarkably strong, or inherently able to ‘endure’ conditions that other, particularly wealthy, people could not (Hill Collins 2009). These competing discourses—of the *undeserving poor* and *deserving poor*—mutually exclude the voices and agency of the poor and particularly, poor women.

A problematic and powerful aspect of the discourse around poverty is the construction of the poor as abject subjects who cannot speak for or represent themselves. Since the voices of the poor are excluded from the definitions and representations of their existences, these externally-defined characterizations, whether denigrating or romanticizing, are problematic and operate in controlling and stifling ways (Hill Collins 190). Katz (1989) elaborates, “[b]y mistaking socially constructed categories for natural distinctions, we reinforce inequality and stigmatize even those we set out to help” (6). Indeed, these discourses maintain the hegemony of the economic elite while/through informing State policy. The intersections of gender and race become quite salient in these policy decisions, as racialization of women of color as *undeserving poor* “welfare queens” had major repercussions on U.S. welfare reform of the 1980s and 90s (Omi & Winant 1994).

In contrast, microfinance programming relies upon particular gendered and racialized ideologies of the “Third world woman” in the global South to construct microloan borrowers as the *deserving poor*. Microfinance not only reinforces a competing rhetoric of the *deserving poor* of the global South and the *undeserving poor* of the U.S., but successfully relies upon this rhetoric to function as it does, which I will attend to further in the next chapter.

The “Undeserving Poor”

Controlling images of the poor as undeserving are propagated through the news media, where “extensive media coverage of crime, drug use and other social pathologies in low-income communities, has shifted public perceptions toward attributing full responsibility to the poor for their condition” (Arrow, et al. 2000). And so, the poor are construed as deviant—as not submitting to the “logic” of capitalism and its inevitable creation of opportunity for the worthy. This dehumanizing discourse further marks the poor as purposeless (both to themselves and to society) and valueless (particularly, in and to capitalism), constructing a class of *undeserving poor*. Moira Baker (2000) explains how this categorization of the *undeserving poor* as parasitic, lazy, or without value is “one of the enabling myths of a bourgeois society that relies upon the exploited labor of the class it stigmatizes in order to secure its own wealth.” Embedded in this discourse are ideologies of race and gender that go unacknowledged in analyses and policy concerning poverty. In the U.S., rather than speak of poverty and the poor, in its place we speak of “hunger” and the “homeless.” The faces of the homeless are likely male, and the images of hunger may connote the plight of

children. Yet women, who constitute the majority of the world's poor, and the gender inequalities that sustain the feminization of poverty worldwide, are often rendered invisible.

The consequences of the construction of women of color in the U.S. as the *undeserving poor* are considerable. Jill Quadagno (1994) points out how rather than confer full democratic rights upon all its citizens, welfare policy and the war on poverty in the United States was thwarted because of racism. The gender and racial inequities in the labor market and the ways in which racialized women in particular are utilized by capital as a source of cheap, exploitable labor are subsumed by controlling images that seek to biologize the conditions of poverty: "cultural or genetic explanations [...] appear to resonate with the U.S. public today in a way they did not in the past, when the economic disadvantages of racial minorities and the poor could be readily explained by widely acknowledged forms of discrimination" (Arrow et. al., x). This further delineates between normality and deviance within the body politic, as "[t]he issue becomes not only who can fend for themselves without aid, but more important, whose behavior and character entitle them to the resources of others" (Katz 1989, 10). Clearly, the bodies which comprise those marked as worthy by the state and society are demarcated according to the bootstrap myth and corporatized diversity ideology discussed earlier.

The "Deserving Poor"

The romanticization of poverty shifts from a callous and scornful, negative invention of the poor as parasitic and undeserving and as an alternative attempts to

create a sympathetic, positive fantasy that fixates on an archetype of “strength” inherent to particular poor bodies. Mythologies of the deserving poor also rely on biologizing tropes. Though in this instance the controlling image of the poor as deserving of aid conjures a positive stereotype, it is still dehumanizing. Dorothy Allison refers to this contrived position as the “the truly worthy poor,” those “hard-working, ragged but clean, and intrinsically honorable” persons that are deserving of public sympathies (18). Rather than reflecting the reality of the poor, or characterizing a positive label that the poor appreciate, Allison describes how this myth promoted her family’s self-destruction because they did not fit the *deserving poor* ideal (18).

Especially compelling as it intersects with dominant ideologies of motherhood and ableist rhetoric, the model of the *deserving poor* is often directed at poor single mothers, such as those who work numerous part-time service jobs to support their families. These women are often discerned as possessing inherent strength rather than a desperate impetus for survival, laboring under the harsh realities of economic violence that ensnare her in a cycle of low-wages that never quite meet the cost of living. Hill Collins remarks how this representation of the strong *deserving poor*, particularly the strong, poor mother of color, “fail[s] to see the very real costs of mothering to African-American women” (Hill Collins 189) which become naturalized as the self-sacrificing mother’s duty. Absorption of poverty by the family structure and by women’s mother-work “obscures the sources of poverty in the labor market, discrimination, and public policy” (Katz, 222). The economic, physical, emotional toll she bears and the reliance on both her cheap waged labor for capital accumulation and

her unpaid labor in the family sphere are portrayed as natural and inevitable costs that mothers bear for their children. Embedded in this discourse are deeply gendered, racialized and classed understandings of maternity. Though white, middle-class mothers are encouraged to stay in the home and care for their children, poor mothers of color are expected to toil outside the home as cheap labor for capital while working double shifts to care for their children, or they quickly can become the *undeserving poor*. Ironically, the paradox of the *deserving* poor is that those who are deemed deserving of aid are designated so as a result of not receiving it.

Katz presents an antidote to dismantle the poverty discourse and controlling images of the poor:

We can think about poor people as ‘them’ or as ‘us.’ For the most part, Americans have talked about ‘them.’ Even in the language of social science, as well as ordinary conversation and political rhetoric, poor people usually remain outsiders, strangers to be pitied or despised, helped or punished, [...] but rarely [are seen as] full citizens (236).

Moreover, Allison suggests that we must reject externally-imposed classifications that encourage us to dismiss one another, arguing these categories “need to be excavated from the inside” (35). To achieve an economic justice agenda, *us* and *them* must be indistinguishable, or in other words, we must all regard each other as full citizens of the human race. And a transnational feminist vision of economic justice places agency and subjectivity of women, and that of other marginalized populations, at the center of our economic justice analyses and our organizing.

(En)Gendering Global Justice

Similar to the writings on socialism/Marxism and economic justice, theories informing the the anti-globalization or *global justice* movement are noticeably lacking an analysis of gender and race (Eschle & Maiguashca 2009; Mohanty 2003). Additionally, much of the writings and theory underpinning international studies and global justice still accepts the binarisms of globalization from above and globalization from below, though transnational feminists have argued those binaries center globalization from the West (Desai 2009). Desai argues that by beginning our analyses with the experiences of everyday women and men, and utilizing a lens of gender specifically, it is revealed that poor and working class women and men are as important to globalization as are multinational corporations (Desai, 90).

Since the 1970s, feminist scholarship, such as socialist feminist theory, has offered gendered analyses of globalization that contributed to our understandings of capitalism and its dependence on sexism to be(come) global (Basu, et al 2001). Recent scholarship has focused on transnational feminist movements, migration, diaspora and the gendered international division of labor (see, for example, Mohanty 2003; Basu, et al 2001; Naples & Desai 2003). In feminist development and globalization literature, transnational feminists have offered both important critiques of the exploitation of women by global capital as well as insight into the ways women's resistance to capitalist development and neoliberalism impacts globalization. Chandra Talpade Mohanty (2003) and Manisha Desai (2002) depict the ways that, for many women of the global South, feminist struggles are entangled with economic justice and anti-

capitalist development organizing. These feminist struggles “against consolidation of white, liberal capitalist patriarchies in Euro-America” (Mohanty 57) take on many forms of what Desai (2002) terms *scattered resistance*, invoking the theory of *scattered hegemonies* by Inderpal Grewal & Caren Kaplan (1994). These struggles are specific to and structured according to the context of women’s lives, varying from wage labor organizing against the exploitation of multinational corporations to fighting the environmental devastation caused by globalization.

Incorporating a discussion of women’s agency when we consider the “relations between different forms of patriarchy and gendering, modes of domination and colonialism, and uneven processes of globalization” (Basu et al, 943) through a transnational feminist frame, sheds light on aspects of economic (in)justice that are otherwise overlooked in dominant globalization theories. Scattered resistance of women and feminists worldwide challenges us to question facets of development and globalization accepted by dominant ideologies of neoliberalism if we seek economic justice. Specifically, Here I problematize these dominant ideologies.

Firstly, *women’s activism makes us question the inescapability of capitalism and neoliberal development:*

When one shifts the focus to women’s agency in the global political economy, we see [...] women creating new sites for action at the local, national and transnational levels in which to enact new political, economic and cultural practices. In this way, women activists offer alternatives to the seemingly inevitable course of global capital (Desai, 18).

Indeed, resistance and struggle against colonialism and capitalism are part of the histories of women of color around the globe, producing “vibrant, creative, collective forms of mobilization” (Mohanty 147) that have challenged domination, exploitation and hegemonic power.

Second, *women’s activism against multinational corporations requires us to question the roles of MNCs and export processing zones in creating jobs for women*, as is often the argument for sweatshops (see, Kristof & WuDunn, 2009). As Mohanty points out, the racialized “woman worker” is “central to the establishment, consolidation, and maintenance of the current world order: global assembly lines are as much about the production of people as they are about ‘providing jobs’ or making profit” (141). Indeed, she argues the workers make the “citizen-consumer” of the global North possible under advanced capitalism. So, though women desire jobs, and therefore seek out work from MNCs if that is the work is available to them, women are not “empowered” by exploitation, and have struggled for better working conditions in the most difficult organizing circumstances. The racialized and gendered construction of this exploitable worker is integrally important for the development of the global capitalist world order—much more so than the empowerment women “gain” over their lives through sweatshop labor. In fact, Jessica Livingston (2004) argues that in places like Ciudad Juarez where women’s labor is cheapened, women are further seen as cheap/devalued, which has contributed to systematic violence against women maquiladora workers.

Third, *centering women's agency as laborers, in waged and unwaged work, reveals the gendered, detrimental outcomes of structural adjustment programs (SAPs), neoliberal policies, and cuts to social services in exchange for increased privatization.* Desai (2002) describes four major effects of SAPs on women: the feminization of the global labor force and low-paid service activity; the increase of women in the informal economy with low wages and no protections or benefits; the increase of women's unpaid labor as social services decrease; and the environmental devastations of globalization that disproportionately impact women (16-17). While similar effects have been felt by women in the North, the emphasis on privatizing every aspect of political economy has greatly affected the women of the South, as SAPs are the primary mechanism of globalization impacting their lives (Desai 16). The interconnected nature of globalization means that SAPs have residual consequences on women's lives throughout the world, wherever they are instituted, and particularly those of poor women, as the "crisis of social disinvestment (under adjustment) is financed from a 'social fund' provided by the superhuman efforts of poor women' (UNICEF 1989)" (qtd in Desai, 16). Though structural adjustment policies assert that the "progress" of development and economic restructuring is beneficial to developing nations, women of the world bear the greatest cost.

Lastly, *women's struggles as workers—in EPZs, informal labor, and to define their work as work—point to the need to consider the new paradigms offered by transnational feminist labor organizing.* Thusly, a global struggle for economic justice acknowledges the challenges created by global capital "for collective organizing in a

context where traditional union methods (based on the idea of the class interests of the male worker) are inadequate” (Mohanty 143). The relationship between traditional labor organizing, the new workers of the global economy, and the active restructuring of labor that has occurred on the basis of gender and race is made clear by Grace Kyungwon Hong (2006):

The new workers are those very workers who were marginalized in the organized labor movements of the past. Transnational corporations seek out labor that has not been the target of earlier organizing efforts, either young women who might stay away from organized labor on the shop floor or workers in family-based sweatshops. As these jobs shifted from men to women, and from white to racialized workers, they are also shifted from high-wage, permanent work to low-wage, casual work (113).

Previous models for organizing that centered a worker that was gendered male, will not work for the new gendered international division of labor.

Racialized immigrant women’s labor struggles in the North provide another example of the complexity of the new labor movement, since “immigration laws are constituted to ensure that ethnic or familial structures are intrinsic to the maintenance of a hyper-exploitable, vulnerable workforce of immigrants, mainly women” (Kyungwon Hong 113). The “family reunification” structure of U.S. law makes these women’s dependence upon their family members for their sponsorship to work in the U.S. a barrier to their ability to negotiate their working conditions; often, as Grace Kyungwon Hong further points out, they are working for those very same family members. When we focus on the experience of the racialized woman worker in globalization—and we must, precisely because of the racialized and gendered nature

of this restructured labor—traditional organizing models will not suit the global economic justice movements of our current global political economy. Socialist feminists, in critiquing the androcentric Marxism of the left, provided a model of socialist thought that employed a gender lens to better understand capitalist oppression and modes of resistance.

Socialist Feminist Genealogies

Critical concepts within socialist feminist thought have provided important developments to feminism, such as analyses of women's work, paid and unpaid labor, women's relation to the working class, to capital, and to men within the economy of the domestic sphere. Further, socialist feminism rejected the false dualism of objectivity and subjectivity, of the political versus the personal, the economic (that is structured as public) apart from the private. Also, such frameworks have enabled us to confront patriarchal assumptions of socialism so as to make socialist thought more representative of women's struggles (Bhavnani & Coulson, 66). Heidi Hartmann and other socialist feminists incorporated socioeconomic class analysis in their feminist frameworks and critiqued liberal and radical feminism for being rudimentary in their consideration of gender oppression. Feminism, according to Hartmann, "has been blind to history and insufficiently materialist" (206) while Marxism ignored the specificities of women's subordinate status in relation to men and subsumed gender inequities under the umbrella of class. Aspects of women's social lives that are not merely class-based, such as gendered violence, ideologies of mothering, and control

over women's sexuality are theoretical intricacies that feminist thought offered Marxism.

Socialist feminists have argued that by acknowledging the specificities of women's lives—the gendered reproductive, sexual, and familial facets that also serve capital—along with the material, Marxist philosophy would subsequently demonstrate a more comprehensive agenda to liberate men and women from the oppression of capitalism. Examining the work of early socialist feminists Emma Goldman and Luisa Capetillo illustrates how a socialist feminist critique of sexism and capitalism had potential to build coalitions around class stretching beyond a narrow feminism shaped by ideology of the Western liberal humanist individual.

Years ahead of her time, revolutionary Russian-born Jewish immigrant Emma Goldman “rejected marital life for political activism” (168) and incorporated reproductive rights into her demands for women's emancipation. It is axiomatic to say that reproductive rights remain a contentious feminist issue to this day and it is notable that Goldman was addressing reproductive issues at the turn of the 20th century. She promoted a socialist feminism that cast off “superficial equalization of human beings” (169) which suggests Goldman's multi-layered marginalization as a Jewish woman and an immigrant to the U.S. informed her feminist politics by means of applying diverse lenses to gender oppression. Her writings which encouraged awareness of “how to be oneself, and yet in oneness with others, to feel deeply with all human beings and still retain one's own innate qualities” (169) are perhaps more advanced

than “color blind” rhetoric of current day multicultural ideology, which assumes a “melting pot” of sameness.

An advocate of a sexual liberation for women who felt it was ridiculous that “a young couple in love with each other cannot belong to each other physically because decrepit formulisms call it immoral” (190), Luisa Capetillo was a Puerto Rican woman from a working-class background. Capetillo’s defiant feminist views of women’s sexual liberation were astounding in 1911 and arguably remain so today. Challenging the patriarchy of religion, she suggested true faith was expressed through eradicating oppression and fighting for justice and equality, defining Christianity through her socialist feminist viewpoint. This (re)conceptualization of religious faith with feminist politics of justice was a precursor to late 20th-century Latina feminisms (see Isasi-Diaz). However, Capetillo maintained a heterosexist socialist feminism that, perhaps reflective of hegemonic beliefs of her time period, was unacceptably still expressed in the “second wave” of the U.S. women’s movement decades later.

These early thinkers conceived a feminist vision that provided for oppression based on gender, class, race, and other social locations, yet still privileged gender and class above other vectors of social location. Hartmann was instrumental in developing socialist feminism, and the entirety of feminist analysis, by arguing that capitalism shaped and was shaped by patriarchy, insisting there was no “pure capitalism” or “pure patriarchy” but that both had to “coexist” (213). These arguments underscored the inseparability of capitalism and patriarchy, providing a more refined context of women’s location in a complex web of power. These analyses have given intellectual

gifts to feminist thought that are invaluable and, above all, absolutely necessary for the pursuit of economic justice.

Still, many feminists have critiqued socialist feminism for being too narrow in its approach, suggesting that materialist analyses privilege class oppression above sexism, racism, and heterosexism, and in effect mistaking the *white heterosexual male* proletariat struggle as universally applicable. In the 1980s, feminists of color aimed to move white feminists to take up the challenge of the charge of racism made against socialist feminist analysis (Bhavnani & Coulson, 65). A lack of attention to the role of the nation state and how women's lives are impacted differently according to race, nationality, and sexuality led to socialist feminism's failure to understand the struggles of women of color both in both the global North and South, such as those of immigrant women. Incorporating the ways race intersects with capital, feminists of color have emphasized that the legacy of centuries of racialized capitalism provides insight into the complex nature of capital itself (Hill Collins 2000; Mohanty 2003; Kyungwon Hong 2006). For my project, this understanding provides a lens to consider how poverty and exploitation systematically falls on certain bodies within multiple formations—from the national to global phases—of capital.

Transnational Feminist Anticapitalist Critique

The economic justice-centered feminist paradigm I develop in this chapter is not simply another socialist feminist formation. Rather, as Chandra Talpade Mohanty (2003) suggests of anticapitalist feminist critique:

[It] has much in common with earlier formations of socialist feminism. But this is a racialized socialist feminism, attentive to the specific operations and discourses of contemporary global capitalism: a socialist feminist critique, attentive to nation and sexuality—and to the globalized economic, ideological and cultural interweaving of masculinities, femininities, and heterosexualities in capital's search for profit, accumulation, and domination (9).

Where socialist feminism offered a critique of capitalism as capitalist patriarchy, critical of the androcentrism of socialism but largely white/Western in scope, transnational feminist anticapitalist critique enters the discussion of capitalist exploitation from an intersectional trajectory, incorporating race, sexuality, nation, and a global(ization) awareness.

This is the frame through which I craft a definition of economic justice, informed by transnational feminist theories, which I utilize for the project of making transnational feminist sense of microfinance. This paradigm complicates liberal feminist policy of equal pay for equal work that will be significant to all women only if one is able to acquire a job in the first place. Further, that “equal” work presupposes that one be equal with white elite men which is a tangible concern only for Western white elite women, whereas women of color, particularly working poor women who are also single mothers and immigrant women, often have limited options in white supremacist capitalist heteropatriarchal systems. Racialized women are sought out for low-wage work, such as domestic work in the U.S. and on the assembly line in the global South, which does not offer benefits, health care, stability, or a living wage. Therefore it is unlikely that women of color will have as their first concern “equal”

pay with white men when they are likely working alongside other women of color in gendered labor such as domestic work and childcare and with working class men of color in racialized labor. A greater economic, personal and political concern for women in the low-wage employment sectors is often providing care for their own children as they provide service work other families, including care for the children of the upper- and upper middle-class families who employ them (Hill Collins 2009; Kinzer 2010).

The Euro-American nation-state has historically “proclaimed commitment to sex equality and improved the rights of mainly white women, but further consolidated its racism” (Bhavnani & Coulson, 68). Therefore it is integral at this juncture to articulate our commitment to a global economic justice praxis (with the knowledge that the U.S. is also part of that “global” community) and intersectional analysis within feminist social justice movements in the global North.

Economic Justice and Social Justice

In feminist and progressive circles, the mission of social justice is frequently referred to, though rarely do we stop to ask—what precisely does “social justice” mean? What does it look like in praxis? Does it imply a quest for systemic reform or is it a rallying cry for radical transformation? Oftentimes, the term is used to encompass varied concepts of “diversity” ideology in U.S. context, and “development” when referring to the global South. Thusly, not only are social justice agendas in the global North and South seemingly divergent and unlinked, but further, social justice rhetorically takes on a neoliberal bent which contends that access and “diversity” are

the end goals in an otherwise free country such as the United States. And what is needed *elsewhere*, in reference to the third world, is development and access to U.S. style democracy.

These ways of understanding social justice are not only lacking a deliberate intersectional analysis that centers the ways race, gender, sexuality, ability and nation operate within unjust sociopolitical systems, they very often steer clear of a critique of capitalism and the ways that a capitalist system is contrary to a broad and meaningful social justice and human rights agenda. In this way, poverty becomes seen as a social justice issue only outside of North America. Within the site of the academy in particular, anthropologists to economists, and political scientists to historians write about and encourage students to travel to places in the global South to “teach in a poverty stricken country, help motivate students to prioritize education (especially [...] girls), and to live in one of the most beautiful places in the world” (B. Hurvitz, personal communication, April 17, 2011). It is both admirable to pursue social justice on a global scale and important that we understand the world outside of our own borders, though the implication is often that the U.S. is not poverty-stricken, and further that democratized, free Western agents can help those who are victims of the poverty of their own cultures (see, for example Narayan 1997).

This rhetoric of social justice perpetuates an *us vs. them* mentality that sees perhaps civil rights (access to rights within the nation state) as the goal, above and in place of human rights (that acknowledge human dignity outside of the borders of, or not granted by, the nation state), further positing the citizen of the global North as the

liberated agent of justice (who can teach Others about freedom). Rather than reinscribe a pattern of *us vs. them* or *here vs. there*, a transnational feminist economic justice paradigm uncovers the ways in which the liberation of women of color around the world is circumscribed, limited, and halted through capitalism, imperialism, and neo-colonialism. This paradigm can assist in defining social justice as a movement that links us all, without erasing the differences among and across cultures, and without defining the parameters of the movement for those outside our own communities.

We must build a social justice movement that is expansive and profound, local and global, as Katz-Fishman and Scott (2008) call for:

It embraces struggles around work and wages, housing, health care, education, women, youth, communities of color and immigrant communities, disability, the environment and peace. It is multi-issue and multisector and crosses divides of race, nationality, class, gender, sexuality, age and ability. It is, therefore, multiracial, multigender, and multigenerational (232).

This is a bold vision for social justice that is particularly demanding in our current economic and political climate which is increasingly racist, sexist, homophobic, nationalist, and capitalist. I argue that a transformational social justice agenda must focus on economic justice that utilizes a conjoined feminist and human rights politic in considering economic options, work options and the conditions under which we labor, such as women's paid, unpaid, and reproductive labor. Economic justice also must encompass our relationships with land, the environment, and property and speak to how these relations must be reconfigured. Ultimately, it must address how capitalism,

globalization, economic development, and neoliberalism operate for and in an unjust and exploitative system. Most importantly, it must center the agency and needs of the most vulnerable in the global economy, in particular, poor racialized women.

These are all factors that I consider integral to an intersectional economic justice analysis. At this juncture, I offer five principles of economic justice through which transnational feminist paradigm and praxis can be enacted. Together these principles also function as an analytical tool to apply to the discourse around microfinance, which I discuss in the next chapter.

Five Principles of Economic Justice

(1) *It is imperative that we utilize feminist and human rights frameworks in defining economic opportunity, work options, conditions under which we labor and the ability to organize, women's unpaid, reproductive and paid labor, and our relationships to land, property, and planet so as to compel more just, feminist reconfigurations of economies and political power.*

Economic justice cannot be determined through the socialist/Marxist solutions of a former time prior to the global phase of capital. As social feminists have pointed out, these ideas are masculinist notions of class exploitation, and socialist feminism has not included an analysis of the wide-ranging and scattered hegemonies and resistances of the global woman worker. New formations of labor organizing that include workers in EPZs, immigrant women in domestic labor, women's unpaid and informal labor, and other complex work relations in women's

lives must be created. Further, the various resistances of women's organizing must be recognized and legitimized.

Economic justice must be broadened to include atypical analyses that are revealed when employing a gender lens. For instance, as owners of so little of the world's land but necessarily caught up with and ideologically tied to the land in numerous ways, women are not allowed a legitimate say in how it land is (ab)used. American Indian feminist scholars such as Andrea Smith (2005) suggest a radical relationality to the land that would advance both indigenous feminist conceptualizations of land and life as well as economic justice-fueled land imaginings. In addition, concepts such as food justice, financial literacy, and the capacity for poor and working class populations to build wealth are components of this paradigm as well as further understood through it.

- (2) *The feminization of poverty, exploitation of women's labor, and manipulation of the ideologies of motherhood must be contextualized in terms of the entire body of work performed by women that goes unpaid and capital's reliance on such labor.*

Biologizing arguments such as women's inherent suitability, as women and mothers, to certain types of work, such as domestic work, mark women as unentitled to compensation for their labor. Globalization and the U.S. shift to the service economy have been accompanied by a reliance on the labor of racialized immigrant women. This labor force now fills historical labor needs as well as new formations, such as sweatshop labor in the U.S. and the global assembly line of the South (Kyungwon Hong 2006). The nation-state economy, global capital, and

transnational labor markets cannot be fully understood without the context of women's unpaid and exploited work, particularly as "recalcitrant subjects [...] not incorporated as working class and therefore 'unorganizable' under models of labor organizing" (Kyungwon Hong, xv). Therefore, economic justice cannot be aptly envisaged without centering analyses of women's work and the gendered and racialized new international division of labor.

- (3) *The right to work and for that work to produce a living wage must be clearly understood as a fundamental aspect of economic justice.*

While most U.S. citizens likely believe that the right to work is an aspect of American-style democracy, it is not guaranteed or protected by the U.S. Constitution (Embrick, 23). Also, the capacity to work and organize for a living wage is often circumscribed by gender, race, nationality, sexual identity and ability. Under globalization, the flow of labor across borders and the ability to organize that labor is not part of the "free" market, as *free markets* refer directly to the flow of goods for the benefit of the global elite. And for women, the right to work, especially for global South women, includes the right for their informal sector work to be defined *as* work and perceived as credibly as that of corporations.

The right to a living wage denotes the means to pay rent without having to choose between food, childcare, water or shelter, which is particularly important for women who comprise the majority of the world's poor (Seager 2009). It also ensures the right and ability to parent one's child rather than be forced to choose a

“better” life for a child because it is not financially viable to raise the child in her/his family of origin. Women should not suffer the debilitating decision of feeding their children rather than themselves, or sacrificing their own health care needs to send children to school, yet these and other similarly devastating choices are ones that poor and working class women must make everyday (Kinser 2010). Moreover, the right to work for a living wage would provide women in particular with the dignity of multiple life opportunities rather than segregating women into low-wage “pink collar” jobs, or according women sex work and heterosexual marriage as their only viable economic options.

- (4) *The rights of the “individual” cannot be separated from the needs of the community and public good.*

The Western capitalist democratic paradigm relies entirely upon rhetoric “modeled on the free-willed, possessive individual” citizen (Kyungwon Hong 33). Intrinsically androcentric and white supremacist, it is this *possessive individual’s* desires, pursuits of capital, and property rights which define what is accorded as necessary to protect the rights of the entire citizenry. As Bonilla-Silva (2008) argues, “the reality is that, in the Western nation-state, citizenship has been and continues to be a white political category” (12).

In addition, feminists recognize that our subjectivities exist only in relation to others; likewise mothers often cite that to think of the “individual self” outside the family good is a luxury they do not have. The ideology of the individual is useful for bearing in mind the inherent value of human beings and the

ways one might achieve empowerment, but it is a fallacy to believe the individual exists on one's own, outside of community and structural aspects of our social world. That fallacy encourages a “desocialized understanding of social phenomena,” which Farmer argues is a “major source of error” (294) in the thinking, understanding and discursive practices around power and wealth disparities. For that reason, the economic justice paradigm operates against the profusion of the bootstrap ideology that constructs poverty and economic disparity as the individual's responsibility rather than the result of politics, power, and inequality.

- (5) *Economic justice theory and practice must be anchored by intersectional analyses of social location, such as race/ethnicity, gender, sexuality, ability, class/caste and nationality. These analyses must also center agency and subjectivity.*

Intersectional analysis allows us to better comprehend the differentiated nature of capital's exploitation of women, particularly women of color, in and under globalization. An intersectional framework, as Nancy Naples (2009) emphasizes, “should include attention to historical, cultural, discursive and structural dimensions that shape the intersections of race, class, gender, sexuality, national and religious identity, among other identities.” This framework also reveals the structural nature of poverty, economic disparities and inequality, and the processes that shape structural violence. A multilayered analysis of social location helps us to make sense of the ways global capital, for instance, both devalues and fixates on racialized women, as surplus labor and the most

vulnerable, cheapest labor, and so therefore the most desirable labor (Kyungwon Hong, xvii).

For social justice agendas to be truly transformational and liberatory to all marginalized women, then economic justice must be particularly cognizant of the experiences of poor and working-class women of color in the U.S. and the global South, including immigrant women, and the gendered and racialized division of labor within the U.S. and transnationally. I also argue economic justice must be a central tenet of feminist practice.

With these principles in mind, I now turn my attention specifically to microfinance to understand it through the framework of economic justice I have posited herein.

Chapter 3: Applying Economic Justice Principles to Microfinance: Mapping the Pitfalls

In the past two decades, as capitalism proliferates transnationally through neoliberal trade policies and free market mechanisms, microfinance programs have become an increasingly popular apparatus for poverty alleviation in poor countries. Microfinance predominantly targets poor women of color of the global South through programs of lending small amounts of uncollateralized funds intended for investment into microenterprises, with the expectation that women will better the conditions of their lives through their access to the market. In theory, microfinance appears to be a panacea for the worldwide feminization of poverty by empowering women to change their lives. However, the reality is more complex.

While microfinance institutions (MFIs) offer extremely high repayment rates as evidence of their programmatic success, feminist scholars have begun to question the cost to the poor women borrowers of microcredit to accord those repayment rates and whether the rhetoric of empowerment holds true in women's lived experiences (Karim 2011; Poster & Salime 2002). My goals are to map the problems and pitfalls of microfinance, and in doing so, to also move beyond binarisms employed in discourses of globalization so as to situate microfinance in a more nuanced analysis of power and domination in women's lives. First, we must understand microfinance as it is caught up with neoliberalism and global economic restructuring in order to understand it as a potential tool for economic justice. I argue microfinance in its current and evermore profit-oriented form ignores the structural dimensions that cause poverty and the material realities of the lives of women of color around the world. The structural

violence of women's lives stems from the gendered and racialized international division of labor, capitalism's inherent exploitation of "surplus labor" and women of color historically, and histories of colonialism as well as modern day neo-colonialism and imperialism. Without a feminist economic justice paradigm that takes these factors into account, microfinance cannot effectively fight poverty (or sustain poverty alleviation), nor can it provide the conditions in which women will lead economically just, empowered existences. Here I will provide a transnational feminist critique of microfinance, and I will also briefly elaborate some of the aspects of microfinance that may challenge capitalism which I will discuss further in the next chapter. Further, I will demonstrate that microfinance programs control the rhetoric around microfinance and have constructed a controlling image of the deserving poor.

Challenging Neoliberal Microfinance

Microfinance has been heralded as the preeminent solution to the problem of poverty across the globe, especially that of women. As it is "beloved of capitalist politicians and social activists alike" (Bowman 491), it has since become the major ideology eclipsing much of the more nuanced discussion around the feminization of poverty worldwide and the consequences of corporate globalization and economic restructuring on women's lives in the global South and North. It is captivating and emotionally gratifying for those who consider poverty a crime against humanity to hear of the "heartfelt case studies of impoverished women whose lives were transformed when they started their home business with the help of a loan" (Bowman

491). Microfinance is alluring as an answer because it is immediate, and it “promises to achieve what previous models of development could not attain” (Fernando 2007, 2).

For many women, unable to find jobs in their local economies that would provide a living wage, and who have barely enough to feed their families and survive day to day, microcredit loans are one way in which they might better their immediate situations. Yet the deficiencies in the microfinance concept as it imagines the goal of empowering women to “help themselves” out of poverty are rarely acknowledged. Lamia Karim (2011) argues microfinance and its institutional control have potentially very detrimental impacts on women’s lives. Though Karim is concerned mainly with the disciplining of bodies through the “NGO shadow state,” whereas I’m looking specifically at/for women’s gendered experiences of microfinance, I find her case studies of women borrowers useful in illustrating some of my own critiques.

Certainly microfinance cannot be the resolution to the problems of poor women in contexts where their land is being taken in what Vandana Shiva identifies as “land grabs” by foreign real estate developers (Goodman 2006). Increasing privatization of public goods, cutbacks in social services, and structural adjustment policies are all aspects of a larger system of structural violence that circumscribe women’s lives. Instead of addressing this complex web of systemic inequity that causes violence, microfinance further compounds the neoliberal ideologies of economic restructuring, most predominantly that “human interest is best served through the withdrawal of the state from welfarist policies” (Karim xiii).

Indeed, Dr. Muhammad Yunus, founder of Grameen Bank and credited for establishing the practice of microfinance as we know it, claims that while “[e]conomic protectionism, subsidies, and welfare benefits were instituted by well-meaning people to soften capitalism’s hard edges” (2006), it is the private sphere alone that must cure poverty. Microfinance, he argues, can create a socially-conscious capitalism and therefore eliminate poverty through private (micro)enterprise. Yunus explains that the reason global poverty persists is that

Models that rely on government action [...] are limited in their ability to put poverty where it belongs—in a museum. The key missing links are grassroots, private sector approaches that focus on the poorest of the poor, but in a way that is businesslike and allows for preservation of investor capital and financial sustainability over time (2006, vii-viii).

The philosophy that microfinance is a miraculous cure-all for poverty has generated so much enthusiasm for microfinance that it “has taken on a religious fervor among its advocates” (Karim xiii). Microfinance advocates contend that microlending offers the poor opportunities to make their own choices, run small businesses, invest profits back into their businesses and families, educate their children, and ultimately to conjure solutions to their own problems. Yunus and other microfinance advocates actively ignore the structural violence of women’s lives, or deem microfinance (and more accurately, the free market) somehow indifferent to the dominance, subjugation, and systemic inequalities of our social world.

Authors Kristof and WuDunn of the bestselling book *Half the Sky: Turning Oppression into Opportunity for Women Worldwide* espouse, “[m]icrofinance has done more to bolster the status of women, and to protect them from abuse, than any laws could accomplish” (187). They insist that neediness and public assistance is disempowering whereas the phenomenon of microfinance allows instead for people to maintain their dignity; this dignity is maintained by not feeling as if one is receiving a “handout.” This concept of dignity is not the same as imagined by human rights discourse wherein a human dignity is accorded to individuals by birth, not by the nation state. It is also quite distinctive from that of feminist scholars who argue that women’s dignity is jeopardized by misogyny, racism, homophobia and poverty, of its own accord. This male-centric construct of “dignity” and what is figured as “disempowering” to the poor ignores women’s agency and the realities of women’s oppression, even as it claims concern. This dignity relies on masculinized free market, individualistic ideals that erase structural violence in women’s lives, and then construct the illusion of opportunity in the space created by the erasure of such violence.

The capacity for women’s sense of agency in and for their/our own lives is significant and should be at the center of our analyses. But in acknowledging that agency, it becomes clear that there are matters in women’s lives that are often more damaging than loss of one’s self-respect. Structural issues such as lack of safety, health care, potable water, and bodily autonomy; threat of rape and sexual violence; murder, or death of a loved one to war, conflict or suicide all circumscribe women’s

lives in coercive and limiting ways in a misogynist social world. These concerns are the realities of women's lives around the world as they/we are disproportionately affected by economic restructuring, militarization, environmental degradation, and gendered violence. It is imprudent to suppose that the systems of neoliberalism and capital accumulation, which demand that some remain disadvantaged while others profit tremendously, will be altered solely by providing access to capitalist market mechanisms.

Supporting the poor in their efforts to engage in a free market that will theoretically enable them to ascend up out of poverty—without confronting the inequalities within systems of globalization and development, the restructuring of global economy, and capitalism itself—will by no means be a sufficient long term remedy to the problems of poor women around the world. The market that exploits the very same poor racialized women that microfinance erroneously claims it will help must not be seen as the answer. Rather, we must commit to a transnational feminist economic justice politic, like that which I have articulated, to alleviate poverty. Subsequently, I use a transnational feminist economic justice paradigm to map the pitfalls of microfinance in order to suggest transformational strategies.

Pitfalls of Microfinance

Microfinance is entangled in the projects of development, neoliberalism, and the economic restructuring of globalization. To simply consider microfinance the answer to the quandary of poverty, one must adhere to myths of capitalism, the free market, and the global development model. As Muhammad Yunus notes, while

studying “[i]n the United States, I saw how the market liberates the individual and allows people to be free to make personal choices” (203). This perspective consequently shaped his microfinance program and the founding of Grameen Bank. His observations emphasize the hegemony of “free” markets and choices, going unquestioned by microfinance advocates, though clearly established by and for the benefit of Western economic elites. Lourdes Beneria traces the proliferation of “the free market revolution” and “the Washington Consensus [...] in which the market and capitalism, in particular, have been presented as the only path leading to world development” (2) since the 1980s:

The World Bank and IMF, together with the U.S. government, played an important role in this Washington Consensus, but the contributing actors have been many. [...] [It has] spread “from the classrooms of Cambridge, Massachusetts” to other parts of the world, often through former students applying “economic theories of elite U.S. universities” to Latin America and other regions with very different historical contexts (Wall Street Journal, August 8, 1994) (3).

This romanticized view of capitalism and the free market informs and is informed by ideologies of individual “choice” that disregard feminist deconstructions of notions of “personal choice.” Feminist analyses have revealed—through focusing on the experiences of women—how individual people come to “choice” in ways that are determined and constrained by social location, institutions, historical and cultural contexts, and the ability to navigate complex webs of repression and control.

When Yunus tells triumphant stories of how Grameen Bank microfinance borrowers “acquire water-pumps, latrines, housing, education, access to health care, and so on” (203), he makes such a compelling case for microfinance the tendency is to overlook the role of neoliberal policies and capitalist free market development in those stories. Neoliberalism is responsible for much of the privatization of the public goods that the poor must then seek out microcredit loans to acquire. Instead of questioning why water-pumps, latrines, housing, education and health care are not available to all as human rights, and to fight for those rights, it is tempting to embrace microfinance as a marvel of capitalist good. “The notion of an overarching, ongoing, totally rationalizing capital,” as Stuart Hall conveys, “has been a very deceptive way of persuading ourselves of the totally integrative and all-absorbent capacities of capital itself” (180). Neoliberal policies of capital, globalization, and development have exacerbated the conditions of the poor in the global South that microfinance targets. Structural adjustment policies in particular have had devastating consequences on the lives of a large proportion of the world’s population, such as increasing economic and social inequalities and even increasing poverty (Beneria 3). It begins to seem to me like a circular argument: *a neoliberal free market tool, microfinance, must be used to combat the predatory free market policies of neoliberalism.*

Thus, the challenge is to reject capitalist romanticization of microfinance to begin to understand its consequences in women’s lives. I suggest this can be done by employing an analysis shaped by the economic justice framework I define in the previous chapter. Feminist scholars in the global North and South have begun to

critique microfinance, though there is “a robust critical discourse regarding microfinance [that] is available in the vernacular literature in Bangladesh that is not accessible to Western readers” (Karim ix) that provides further reason to make suspect the discourse around microfinance in the West/North. Lamia Karim (2011) argues microfinance exacerbates the conditions of poor women’s lives because of the interactions of NGOs, gender, neoliberalism, and systems of control established in the lives of microcredit borrowers. It is integral that feminists understand the social consequences of microfinance discourse and practices on women around the world, as the “microfinance revolution” is growing exponentially since Yunus and Grameen Bank won the 2006 Nobel Peace Prize. If within microfinance there are tools that can provide positive benefits to women’s lives to advance economic justice, it is important to understand how and why.

Transnational feminist critical approaches to race, gender, sexuality, globalization, diaspora and the nation state must be employed with theoretical sophistication to create the environments wherein economic justice is possible. Employing the transnational feminist economic justice paradigm articulated in my previous chapter to address the discourses of microfinance, I have identified six areas of feminist concern.

- First, women microloan borrowers experience an increased workload and greater stress and burden when assuming additional debt.
- Second, there is an aggravation of structural gender and class inequalities in the microloan and repayment process.

- Third, there are major limitations of the reach microfinance programs, especially in assisting the very poorest population of women.
- Fourth, microfinance programs currently uphold the expansion of capitalist consumer markets and predatory capitalism.
- Fifth, microfinance institutions maintain a perilous reliance on capitalism and neoliberalism to “cure” poverty and fail to address structural violence and women’s oppression.
- And finally, the discourses of microcredit perpetuate *controlling images* of the poor, particularly poor women, obscuring both the causes of poverty and the solutions.

While I present these areas of concern as separate points, they are overlapping and closely tied to one another. For instance, the stress and burden of indebtedness that I discuss in the first point often replicates and reinforces inequalities among women borrowers, which I discuss in the second. I will now explore each one of these areas of concern in depth and identify key points of entry and intervention for transnational feminist economic justice.

Increased Burden

In its current, increasingly profit-oriented neoliberal formation, microfinance is at its least a short-sighted plan that is based on reliance in capitalism as a cure to all economic and social ills. At its most problematic, microfinance programs aggravate living conditions for the poor women that are its targets, as it does not address the gendered and racialized divisions of labor commanded by capital. Microfinance

advocates do not address how women are to surmount the gendered constraints of their lives though we know “[c]apital is constantly exploiting different forms of labor, constantly explaining the sexual division of labor in order to accomplish its commodification of social life” (Hall 180). Microloan borrowers are required to use their funds to invest in self-employment, the effect of which is women borrowers working double shifts, both in their microenterprises and in their unpaid domestic labor. Female family members may be engaged to work in the family business as unpaid laborers, particularly if the men in the family obtained the loan. This increases women’s workload and their debt burden without the benefit of some measure of self-definition acquired in their own microbusinesses. Additionally, the increased burden on women who borrow money through microcredit loans with high interest can cause many women, socialized to be resourceful, to cut back on significant aspects of life, such as food and health care, to make their loan payment.

Furthermore, if a borrower is unable to maximize profits in her microenterprise that are mandated by the microfinance model for successful loan repayment, it can negate the positive effects of obtaining the loan. Increased debt and the pressure of repayment heighten borrowers’ stress and burden; this is compounded further if they struggle to make their weekly microloan payments. Microfinance concepts base their repayment plans on a capitalist model of presupposed economic growth, illustrated in the chart I’ve designed here:

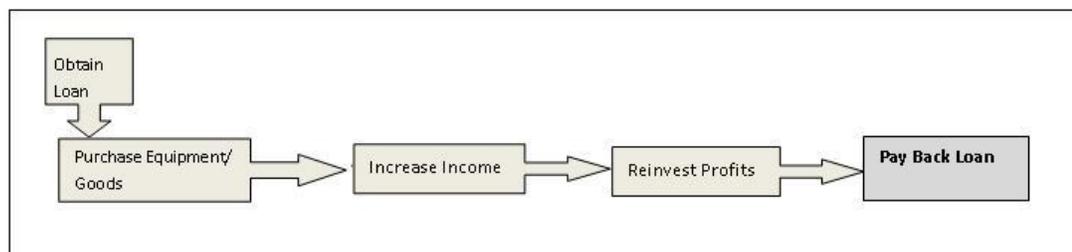


Figure 1. Microfinance capitalist model of presupposed economic growth

Microcredit loans rely on a linear conceptualization of returns to investment. To pay back loans, borrowers must quickly purchase equipment or goods and begin increasing their incomes, then reinvest their profits to eventually pay back their loans and break even. Then they are encouraged to start over again.

Within this capitalist model, increasing income potential is necessitated to reinvest profits so as to eventually pay back the loan. If the borrower doesn't immediately increase her income, or have monies coming in from elsewhere, it will be difficult for her to begin almost immediate microloan installments. In an example cited in a study of one community of borrowers by Lamia Karim (2011), approximately 15-20 percent "made the payments but they could not earn profits, and [...] about 50 percent were struggling with their payments," while only about 25 percent were profitable (100).

While microfinance proponents often claim microloans increase educational opportunities for children, in what is termed *income effect*, the reality is the amplified burden and responsibility of repaying microloans often increases the value of children's productivity, keeping children out of school in what is called *substitution effect* (Dowla & Barua 2006). Employing children's labor in the family business is often more economical to the family than sending the child to school. The substitution effect is exacerbated by gender since female children often assume more unpaid

household labor than male children generally and even more so if the mother is attending to her microenterprise (Fernando 2006).

Aggravation of Inequalities

Disparities in the microloan approval and repayment process are marked. Since microloans are considered to be “entrepreneurial” loans, borrowers are subject to very strict guidelines, both in the receipt of a loan and in its repayment. The loan approval is based upon a borrower’s perceived determination to succeed, capacity to change one’s own life, as well as one’s prior business familiarity. Therefore, most microcredit borrowers must already be small business owners or have access to a business or skill with an ability to make a profit. This standard actually succeeds in disenfranchising women according to class/caste, especially since the poorest of women may be bypassed for a loan because of her lack of initial resource base, skills and contacts. Often the women who have no social contacts who will vouch for them and cannot obtain loans are the most destitute—often beggars—and comprise the “poorest of the poor” that are the very population Grameen claims such loans exist to serve (Dowla & Barua 2006).

Despite the fact that microloans are promoted as being advanced without collateral, closer examinations suggest this may not be the case. From severe peer pressure on borrowers within a lending group, to what Karim (2011) describes as an “economy of shame,” to “housebreaking,” NGOs pursue every oppressive avenue to reclaim their investment with defaulting borrowers. Housebreaking is a process whereby a borrower is dispossessed of their home and it is literally broken into pieces

and sold for parts to collect on the debt. While it seems contradictory to claim to help and empower the poor, and then incapacitate and participate in their torment, Jude L. Fernando (2006) explains the dynamics between microfinance institutions, their field officers, and borrowers that lead to this oppressive recovery of capital:

[Field officers] are mainly trained to be efficient credit managers of credit programs. Once a program is in place, they have hardly any time left other than to ensure loans are repaid on time, as their employment security is purely based on performance. The relationship between the NGOs, local institutions, and women who directly benefit from NGO programs is nothing more than a straight-forward relationship between debtors and creditors (208).

Though donors to microfinance programs prefer the romanticized version of microfinance that tells of compassion and social change through microcredit, the reality for women borrowers is that they are assuming debt. Given that local microlending group leaders and NGO officers are responsible for ensuring regular rates of repayment, they retain a good deal of authority to screen the creditworthiness of borrowers as well as to further impose a complex array of conditionality and punishments upon borrowers.

Of course, many poorer women often do not have the resources to successfully compete within this competitive free market system. Economic decline in the borrower's microbusiness or stagnation in the larger national economy wherein structural adjustment programs (SAPs) bind the nation state similarly to that of the loan recipient, or natural disaster, or any number of events, can predicate a lack of increased income and surplus profit to repay their loans. When disaster struck

Bangladesh in 1987, half of the borrowers in an area lost their assets, and another 170 lost their lives (Dowla and Barua, 2006). The bank responded by creating a disaster fund, which in actuality was a way to collect on loans:

[U]sing the food aid it received from international relief organizations [...] the bank gave the food to borrowers under the condition that they return the value of the food in cash [...]. The money thus collected was deposited in a savings account [...], interest income from the account is used to pay for the various expenses related to disasters (Dowla and Barua, 138).

Then flood struck again in 1988, and again in 1991, each worse than the first. After a massive flood in 1998, 50% of the Grameen banking centers were affected. Debt for borrowers rose exponentially, as borrowers were given more loans to repair their homes; the funds were used mainly to pay for food expenditures (Dowla & Barua, 140). Poor racialized women are more susceptible to environmental degradation and disaster, and therefore are more likely to be on the receiving end of increased debt burden in these cases.

Though microfinance targets women as a main tenet of its programs, this does not eliminate the gender inequalities that are social constructions of patriarchy and sexism. Women borrowers may spend little on themselves, pass assets and land on to sons instead of daughters, and educate boys rather than girls. Thusly, though the rhetoric of MFIs is “empowerment” of women, microloans do not eliminate women’s dependence on male family members for their security, especially as women age. Replicating hegemonic gender discrepancies, many have critiqued microfinance as using women as a “pipeline” to channel their microloan money to their husbands. One

such critic writes, “[m]any women are merely ‘postboxes’: passing on the full amount of their loans directly to their husbands [...] receiving back only enough money to make weekly loan repayments” (Hunt 20). Still, women borrowers bear the full responsibility of microloan repayment, time spent at credit-related meetings, and social shaming upon default.

Contrary to the prevailing dogma that microfinance programs target women for the sake of their empowerment, Karim (2011) claims MFIs capitalize on women because of the difficulties they have met with men borrowers:

[T]he Bank and rural men let women be the bearers of loans while the rural men remained the primary users of the money lent. Bank officials found the women were more pliant and easier to work with. This gentleman’s handshake fed into global gender initiatives and helped the Bank to reinvent itself as a bank for poor women (71).

This is not to say that women haven’t resisted these configurations, assumed positions of leadership in certain cases, and leveraged microloans to empower themselves within the gendered constructs of their lives, indeed they have. Nevertheless, this illustrates women’s tenuous positions as apparatus of global capital and how, under the guise of empowerment, “women’s bodies and labor are used to consolidate global dreams, desires, and ideologies” (Mohanty, 147) of patriarchy and development.

Limitations of Reach

MFIs have frequently been criticized for their failure to reach the “poorest of the poor” that microfinance advocates like Muhammad Yunus expressly claim

microfinance does, and must do. If the objective of microfinance is to bring poverty to an end, then logically MFIs would target the poorest populations first. The “poorest of the poor,” the destitute and the most socially vulnerable or outcast, are women who are beggars; widowed, deserted and divorced; milk-nurses; infirm; and those who have no men in the house capable of work (Karim 2011). However, the fact that they do not, and are unable to, help these women has been well-documented (David and Mosley 1996; Datta 2004; Fernando 2006; Karim 2011).

Though the most recent formation of the Grameen Bank (called “Grameen II”) now has a program for targeting beggars, it is still construed that the poor “borrowers themselves may also be responsible for their exclusion from membership” in microfinance programs (Dowla and Barua 2004), rather than that credit is likely not in their best interest. Perpetual ill health, discrimination from banks and from their own communities, low levels of education, and women’s own determination against indebtedness are all more likely reasons for the disenfranchisement of the “poorest” of women from the microfinance system.

As mentioned previously, microloans are still collateralized even though they are not believed to be; NGOs therefore do not see the poorest women as a good risk. Banks and borrowing groups habitually exclude the poorest to mitigate their liability. And the expectation that microloans be invested in self-employment does not seem sensible for a population that has no safety net at all and could use immediate government survival measures that are precluded by neoliberal policies. The examples of the “poorest of the poor” slipping through the cracks because of discrimination and

collateralization make the innovative idea of “credit as a human right” seem to be espoused in theory only.

Moreover, microfinance trades deliberately and boldly on the gendered division of labor. MFIs provide credit to women in exchange for investment of those monies into self-employment projects. The informal labor sector, wherein women are concentrated, confers low wages, unstable employment, and no access to benefits such as healthcare, retirement and unemployment insurance. Informal labor does little to alter the realities that women do the majority of the world’s labor while earning only 10 percent of the world’s wages and holding a mere 1 percent of its wealth (Fernando 2006). The instabilities in informal sector work, since it is unregulated and unrecognized by the state, fail to protect women from the exploitation of their unpaid, unseen, and devalued labor. Since informal labor is unorganizable in the traditional sense, it “allows capitalists to bypass expensive and politically threatening labor relations that exist in the formal economy” (Poster and Salime, 101). Women’s informal work is necessary to maintain the global capitalist system as it “absorbs the cost of adjustments, provides cheap labor subcontracting services to the formal sector, creates new markets, and subsidizes the low wages paid in the formal sector” (Fernando, 18).

Making of the *Consumer-Laborer*

The effects of microcredit are not limited to poverty alleviation for individuals, but also to wealth creation for elites, creating new markets within which multinational capital can expand. Mohanty (2003) points out how the global assembly line produces

people (workers and consumer-citizens) more so than providing jobs. Similarly, microfinance produces consumers more so than empowered populations. The cycle of economic restructuring, privatization, and heightened disparity of neoliberalism results in the necessity to turn the poor into what I believe is the *consumer-laborer*. Aligning with Mohanty's (2003) ideas of the consumer-citizen of the global North, this consumer-laborer turns poor women in the global South into economically active consumers who labor in the informal sector exploited by global capital. In this way, microfinance becomes a tool of economic imperialism and predatory capitalism rather than economic justice and empowerment.

Vandana Shiva provides an example of the turning of "autonomous producers into consumers" as corporations devise ways to use microfinance programs to increase their profits:

In 2000, the business of safe water provision was estimated to reach \$300 million in India and Mexico. Monsanto hopes to tap these public finances for providing water to rural communities. Where the poor cannot pay, the company plans to create "non-traditional mechanism[s], targeted at building relationship[s] with local government and NGO's as well as through innovative financing mechanisms, such as microcredit" (89).

This is one example, rather than a definition, of predatory capitalism to illustrate the circular argument of neoliberal formations of microfinance previously mentioned. By privatizing a public good, multinational capital can accumulate in new ways, yet poor people do not comprise a consumer base for a corporation like Monsanto. Therefore,

development from below is required (though it is really a corporate globalization) to create a purchaser for the newly privatized corporate product.

Another example is the proliferation of cell phone technology in countries of the southern hemisphere, such as Bangladesh, where phones have revolutionized communications among rural populations, in particular. It is unmistakable that organizations such as Grameen Phone, that promote phones at above market rates to women borrowers, are making money on cell phone services. What is unclear is whether cell phone microenterprises have moved women out of poverty. Karim (2011) noted several cases where women did not fare well in the cell phone business; market competition drove down prices of cell phone services as more women obtained phones. Borrowers took on increased indebtedness with the expense cell phones incur over hand craft microenterprise, for instance. This case in point illustrates a “trend to sell consumer goods to poor women and showcase them as entrepreneurs” (Karim, 101) by microfinance proponents.

So while microfinance is billed as supporting entrepreneurial prospects for women and as a source of their empowerment, it operates to create new markets for global capital out of women’s increased income opportunities. Microenterprises are seen not as a threat to multinational corporations or an offset force to corporate globalizations, but rather a development of a new market for MNCs, explaining why so many economists, financial analysts, and corporate business leaders have been in favor of the microfinance and microenterprise design.

As microfinance progressively gains favor with the international public, particularly in the global North, silenced are the views of transnational, postcolonial and ecofeminists who argue that women's lives, overall, are worsened by the onset of development and corporate globalizations. Vandana Shiva points out that "[m]arket solutions destroy the Earth and aggravate inequality" for women as economic development spreads (15). Rather than "taking seriously the repressive effects of that process, which stem from the operations of exploitative multinational corporations and transnational institutions such as the IMF and the World Bank, as well as the power plays of the world's wealthiest nation states" (Woodhull 256), microfinance institutions employ the hegemony of neoliberalism to further corporate globalizations. And since capitalist development also appropriates surplus labor, while disregarding that which cannot be commodified, the unpaid, daily reproductive labor of women is disregarded.

Structural Violence

Microfinance can be critiqued for hyper-focus on the individual (single borrowers) rather than structural level change (wealth distribution and socialist policy). Yet I have found in their writings that microfinance proponents such as Yunus and Grameen Bank believe that they *are* making structural change *through* the free market, as in, development from below. And individual women have made improvements in their living situations—though the focus on the individual as a *consumer-laborer* is problematic. Microcredit itself is an instrument that could be used to encourage structural change or it could uphold the status quo, or even aggravate

inequality. The problem, as I see it, remains that MFIs and microfinance proponents ignore structural violence and systems of oppression in women's lives.

Interlocking systems of dominance that perpetuate oppression and marginalization of women in the global South that Grameen works with include but are not limited to: histories of colonialism, neocolonialism, heteropatriarchy, violence and sexual terrorism, health disparities, reproductive injustice, women's bodies as sites of state control, war, genocide, race and ethnic discrimination, and class/caste hierarchies. Erosion of global water rights and rise of biopiracy are other critical areas of concern that, transnational feminists have pointed out, are particularly urgent at the present time (Shiva). By ignoring women's realities and oppression, the question remains *whose* "social considerations" is Grameen taking into account? The lack of attention to structural violence in the lives of poor women in the global South and throughout the world is not just overlooked, but ignored as seen when Yunus writes, "whenever possible, I try to avoid grandiloquent philosophies and theories and "isms." I take a pragmatic approach grounded in social considerations" (205).

MFIs have relied on gender as a way to advance their capitalist policies and expansion (Karim 2011); relationships are imbued with power, and NGOs are no different. Many "social considerations" are those of men, nationalist movements, and patriarchal control and influence. Without a deliberate feminist accounting of "social considerations," history has shown that women are time and again subjugated, repressed, and rendered invisible, and not valued as social and political actors.

Current conceptualizations of microfinance also perpetuate an improvident dependency on capitalism and neoliberal free market ideals to assuage subjugation in women's lives. So much so, there has been a cooptation of feminist rhetoric of "women's empowerment" to further microfinance agendas (Fernando 2006; Karim 2011). Neoliberal policies of globalization and development have not been the solution to poverty as touted, and while some sectors have seen economic growth and opportunities, more often these policies have "created gaps and imbalances and a tendency toward growing inequalities within and between countries" (Beneria & Bisnath 102). Instead of accounting for the exploitative nature of and defects in capitalist ideologies, Yunus has written and spoken about the notion of microcredit as creating *compassionate* capitalism.

An executive and spokesperson of Grameen Bank, Susan Davis echoes Yunus' argument that helping borrowers in poor countries take microloans "almost necessitate[s] a new branch of economics" (203). She describes microfinance and Grameen's mission as both "changing capitalism from within" and "recreat[ing] another kind of capitalism" (Goodman 2006). Even as their statements concede that capitalism is not benign, they accordingly diminish the reality of capital's deployment of gender and women's bodies, (particularly those of women of color as Hill Collins, elaborates), by attempting to temper anti-capitalist critique.

Although Yunus is an ardent proponent of the free market model who actively ignores webs of structural violence that circumscribes women's lives, still he admits that, "[t]here is little doubt that the free market, as now organized, does not provide

solutions to all social ills. It provides neither economic opportunities nor access to health and education for the poor or elderly” (1996, 204). Regrettably, that is as far as his analysis extends on how best to achieve solutions to these ills, other than further reliance on the free market, and he doesn’t hesitate acknowledging this. Additionally, Yunus writes about a professor of his while he was attending Vanderbilt University who “admired Marxism as a logical construct [...] and brought a social dimension to economics. Without the human side, economics is just hard and dry as stone” (203).

So while he recognizes the need for a “human side” of economics, that (hu)man element is never defined in ways that recognize how capitalism operates in gendered and racialized ways, though “[c]apital has always been quite concerned with the question of the gendered nature of labor power. It has always been able to work in and through the sexual division of labor in order to accomplish the commodification of labor. It has always been able to work between the different ethnically and racially inflected labor forces” (Hall 180). Yunus’ stance as promoter of neoliberal capitalism is in stark opposition to the public contracts and policies that provide safeguards for women. Of government’s role in social objectives, Yunus writes,

government, as we now know it, should pull out of most things except for law enforcement, the justice system, national defense, and foreign policy, and let the private sector, a “Grameenized private sector,” [...] take over its other functions (204).

Democratic movements for social justice have harnessed the legitimizing power of government to promote gender, racial and class equality. Many protections,

particularly for women who are marginalized by masculinist political economy and therefore are most vulnerable to its disenfranchisement, have been won not through the private sector but only through the role of governance (and often against the private sector).

Controlling Images of the Poor

Lastly I will attend to the ways in which microfinance discourse perpetuates troubling ideas about the “third world woman” which microfinance proponents seek to “empower.” This discourse has fostered *controlling images* of the poor women of the global South as the *deserving poor*. I refer here to concept of controlling images as Hill Collins (2009) employs it—socially-constructed prevailing ideologies perpetrated about a subordinated group by a dominant group which function to mask social control and power relations. Furthermore, through controlling images the subordinated group is defined by others and is, for that reason, unable to self-define, as they are always seen as the object in relation to the subject.

Many microfinance advocates have asserted vociferously that “despite the harsh economic and social conditions in which they live, the poor always pay back” (Dowla and Barua, 2006:xvi; Yunus, 1996; Daley-Harris & Awimbo 2006). While in some ways, this image of the poor is very different from the ways poor women are constructed typically, especially in a U.S. context, upon closer examination, we see microfinance itself relies upon particular gendered and racialized ideologies of the abject “third world woman” and it functions most successfully through discourses comprised of binaries, that of the *deserving poor* of the global South against the

undeserving poor of the U.S. In an increasingly profit-driven industry of microfinance that relies upon donor contributions, it necessitates these gendered and racialized understandings of who is being “helped” by MFIs. There is an active reification of the good Western/Northern saviors (who are post-feminist, post-race) saving the helpless, voiceless poverty-stricken women of the Global South.

Feminist economist Riane Eisler writes, “we cannot understand, much less improve, economic systems without also looking at the larger context: the [...] social dynamics of relations in all spheres of life” (28). Whereas microcredit has altered lives of some women in a positive way, we cannot overlook the problematic aspects of microfinance as it attends to the crisis of poverty, and particularly the poverty that disproportionately affects women around the world. As long as neoliberal capital remains unrestrained as the dominant form of economy throughout the world, there will be poverty. Though microfinance attempts to answer to this dilemma as it “softens the hard edges of capitalism” (Yunus, 10) it will never succeed in eliminating poverty without addressing the reasons why the poor, particularly women, are marginalized through the structural violence of neoliberalism and capitalist imperialism. While Muhammad Yunus provides a framework of credit as a human right, he also advocates that the private sector take over all social contracts that the state exists to uphold. This is both counterintuitive to the needs of poor women but further exacerbates structural violence in their lives.

Beyond “Softening Capitalism’s Hard Edges”

I present a case against microfinance programs in their current form that I argue are a tool of inequitable globalization and neoliberal capitalist doctrines. The discourse of microfinance and its imperialist uses is detached from a politics that acknowledges the gendered and racialized systems of dominance that act upon women’s lives, but is instead attached to liberal humanist ideas of the will of the individual to pull oneself up by the bootstraps all around the world. This apolitical view fails to implicate Western imperialism, colonialism, and misogynic practices as shaping the economic choices and realities with which women must contend.

Yunus’ claim that capitalism can serve people and “the poor will change their own lives” as he focuses on expanding the private sector in every area of social life, calls to mind the oppressive conservative rhetoric that espouses false ideals of U.S. meritocracy. As Hill Collins points out, “Black women’s experiences certainly challenge U.S. class ideologies claiming that individual merit is all that matters in determining social rewards” (247). Accordingly, to maintain that capitalism, corporate globalization and economic imperialism operate in liberatory ways in the lives of marginalized and poor women around the world is to completely ignore how power circulates through these very systems. Poverty will only be eradicated through a politics that understands how the systems of capital, dominance, and empire work to dictate and control women’s lives.

To find solutions to complex interlocking systems of oppression, we must move toward transnational feminist analyses of political economy. In doing so, we

must be creative in finding ways to challenge all-consuming capitalist modes of economic interaction, and in the next chapter, I put forward that microfinance can be endorsed, not as neoliberalism, but as a political act.

Chapter 4: Rethinking Microfinance: Human Capital and an *Economics of Promise*

“Today’s globalization and neoliberal policies mean the rich get richer, the poor get poorer, and political repression and war intensify throughout the world as well as here in the United States.”—Katz-Fishman and Scott (2008)

In the previous chapter, I have demonstrated some of the problems with microfinance. Here, I turn my attention to the possibilities for economic justice associated with microfinance. How might feminists be able to interpret the microfinance movement through a transnational feminist economic justice framework, and furthermore, why is it needed? Better yet, how might we formulate microfinance as an aspect of an *economics of promise* that could transform systems of exploitative capital, instead of merely “softening,” reforming or working within them?

The common belief that microfinance targets, helps, and empowers women and therefore *must* be feminist, shapes the types of questions feminists ask about microfinance policies, as well as globalization, development, economic restructuring, and capitalism. Employing the analysis of Mohanty (2003) and other transnational feminist theorists reminds us that a transnational feminist politic must be grounded in an anti-capitalist critique, as “capitalism is seriously incompatible with feminist visions of social and economic justice” (9). I attempt to make clear in the previous chapters that when we begin to understand that “at the heart of the microcredit trend is the process of globalization, [i]n particular, dynamics of economic restructuring [and] development discourse” (Poster & Salime 180), then feminists must scrutinize microfinance more closely so as to ascertain the effects of microfinance on women’s lives around the world. We have an obligation to make transnational feminist sense of

microfinance, and to do such an analysis, I argue we must query whether microfinance advances economic justice causes.

Who benefits from microfinance? How and why have microfinance projects been taken on with such fervor by economic elites? Is microfinance advancing economic justice for women and girls worldwide, in particular? These are some of the questions that I asked in the previous chapter as I explored how microfinance currently operates in our global economy. I examined the discourse around microfinance, including its history (specifically as it was imagined and promulgated by Muhammad Yunus), limitations, and pitfalls, while asking the question: at what cost are women's lives influenced by microfinance? While the rhetorical supremacy of microfinance operates to obscure the power relations between MFIs and borrowers, NGOs and the state, neoliberalism and development, and structural adjustment and poverty, I have argued that the costs to women can be uncovered by utilizing an analytical framework of economic justice informed by transnational feminisms. By identifying six conceptual areas of feminist concern in current microfinance discourse and practices, I have mapped many pitfalls and perils of the political economy of microcredit in relation to women and economic justice.

Does this necessitate that microfinance be thrown out completely? I don't believe so—in fact, by paying close attention to the errors in the neoliberal microfinance philosophy, I believe it is possible to craft a feminist understanding of microfinance that can exist in direct opposition to capitalist ideals of exploitative profit, wealth disparities, and economic inequities. I will discuss here how I believe

microcredit can be adapted to create heterogeneous, “noncapitalist” economic arrangements that are incongruous to capitalism. This incongruity is a vital facet of an *economics of promise* that values our human capacities above monetary profits.

Can Microfinance be a Political Act?

I have undertaken a rhetorical study of microfinance using a feminist anti-neoliberal, anticapitalist critique as an entry point, to suggest the need to make significant feminist interventions into microfinance and its discourse, so as to excavate microlending from neoliberalism. Next I endeavor to make transnational feminist sense of the “microfinance revolution” and imagine (r)evolutions of microfinance that may well provide liberatory economic justice strategies. Examining the ways women, and particularly women of color, are rendered invisible by capitalist mechanisms and the ways microfinance reveals (the *scattered hegemonies* of) the micropolitical economy of capitalism. I “read up the power structure,” as Mohanty suggests, exploring possibilities that microfinance offers as it makes central the potential for enfranchisement of those marginalized by global capitalism.

While undoubtedly not the solution to the structural violence of the feminization of poverty worldwide, microfinance has been shown to be positive in certain specific contexts—it has been beneficial to enhance some women’s lives through improving their short term economic conditions. Desai (2009) points out in her work on women cross-border traders in Africa that “some women in southern and western Africa, drawing on their ‘traditional’ market role in many societies, have benefited from the global openings to engage in and shape global processes at the

local and regional levels” (14). Therefore, women who have historically engaged in the markets within their respective economies and cultures may very well benefit from monetary resources provided by microcredit loans. In fact, many women traders indicate that obtaining funds to invest in their trading businesses is a “major concern.” One woman trader remarks, “There is no where to get finance to boost our trade, as financial institutions do not want to sponsor the informal traders” (CORN and AFSC 2004). Having no start-up funds for her trading business, another woman discloses, “I went to the Women’s Finance House (Emang Basadi) to ask for help. I was told to look for four other people to make a group, give it a name, elect office bearers and choose the Chairperson. I did as I was asked to do [...]” (CORN and AFSC 2004). In the second case, because the woman was unable to obtain credit on her own, she was at the mercy of the entire group to succeed. Her group broke up but, she says, “from my small savings, I managed to continue my business” (CORN and AFSC 2004).

While these testimonies demonstrate that many women do require, and desire, credit for their businesses. Some women borrowers of microloans do leverage them to create better opportunities for themselves and their families in light of poverty, economic restructuring, and structural adjustment. Feminist research, though, has just begun to point out adverse consequences that microfinance programs have wrought in many women’s lives, especially in relation to globalizing capital and increased NGOization of women’s lives (Karim 2010; Fernando 2008). There remain both problems and possibilities associated with microfinance, and its convoluted

interactions compel deeper consideration than a simple debate about whether it is good or bad for women.

Though the discursive zeal around microfinance implies otherwise, microcredit is not an entirely recent concept. Indeed, as Nancy Jurik (2005) reminds, microlending can be understood as “[an] attempt to restore lending opportunities to individuals in small businesses so that [...] small entrepreneurs would be able to borrow money on their word and business ideas. Although such lending programs have been described as revolutionary, it is important to remember that there were times in the past when lending to small businesses was just something that regular banks did” (x). Prior to the ascent of global capital, beginning with modernization theories of the 1950s and most noticeably since free market ideologies gained popularity in the 1980s, lending to small business owners, farmers, and other community members was expected of U.S. banks. The structure of community banks was often individual, face-to-face lending that placed value on bank-borrower relationships. These banking processes were racialized and gendered, but had an important impact on the rise of the U.S. “middle class.”

Indeed, though I critique current day microfinance programs, microlending itself is not inherently problematic. Grameen Bank’s Susan Davis has recognized, “microcredit is an instrument, it’s a strategy [...] It can be both harmful and benign” (Goodman 2006). This is a more nuanced perception of the “microfinance revolution,” one that does not see microfinance as a panacea to poverty, but recognizes however that it is a strategy. I believe this strategy can be used to advance economic justice, if

we are to employ it as a political act, rather than a magic poverty cure-all. Native American economic justice activist Rebecca Adamson offers:

“The economy used to be about livelihoods [...] but we’ve lost that purpose. We’ve created an economic system with a goal of material wealth [...]. We need an economy that provides for people. It has to be fundamentally, radically brought back into control and harnessed for the well-being of society” (qtd. in Van Gelder 49).

How can we create an economy that provides for people and that puts the control into the hands of the powerless? Jurik and Adamson remind us of the origins of microlending, the power of credit in the hands of everyday people, and everyday people’s ability to create well-being in their lives and communities from the grassroots level up.

It is most certainly the neoliberal free market ideology in which microfinance is currently embedded that is detrimental to poor women, not microlending. If we actively take into account the structural forces in which women’s lives are entrenched, if we engage a transnational feminist economic justice paradigm, and if we acknowledge the structural violence of neoliberalism and poverty, then—and only then—may we begin to understand microfinance as providing possibilities to transform the very systems which it currently helps perpetuate. Instead of replacing government services and social safety nets, microfinance should operate alongside a system of strong government protections for the vulnerable, robust social services, wealth (re)distribution, and socialist policies.

Microfinance programs employed in tandem with strong welfare policies and social safety nets for marginalized populations, not apart from them, offer the potential of shaping economies that may well operate “as if everyone mattered” (Bernieria 5). Contrary to what Yunus presumes regarding the government sector, welfare and other social programs are not just “softening capitalism’s hard edges” but are commitments to changing our social contracts entirely, and creating a world that doesn’t maintain exploitation of women as its primary mechanism to achieve its goals. To think transformatively about microfinance, first we must consider the idea of *credit as a human right*, which pushes against the dominant ideology of the global, corporatized financial sector that often demonizes the poor and disadvantaged so as to render them invisible to economic structures of lending.

I will rethink and (re)imagine microfinance in this chapter as a potentially radically transformational form of *investment* that values our human capital in an *economics of promise*. This is one way of many we can begin to move toward a vision of caring, just economies and economic justice. I argue that by *enfranchising* those who are otherwise marginalized within capitalist economic relations, radically altering dominant *investment paradigms*, and operating as an instrument for *wealth (re)distribution*, microfinance provides strategic spheres of anti-capitalist insurgency.

Enfranchisement

In order to theorize the ways microfinance can be utilized for purposes of economic justice, I argue that microcredit can offer a way to enfranchise those who are disenfranchised by structures of global capital such as financial institutions.

Muhammad Yunus (1996) has pointed out the ways the credit and banking sector pronounces a “death sentence” on a huge segment of the world’s population by favoring the rich and rejecting the poor as “unworthy” of credit (150). In response to the disenfranchisement from the financial industry experienced by the poor, Yunus proposes that credit should be a human right. To conceive of credit as a *human right* rather than “merely a means with which to lubricate the wheels of trade, commerce and industry,” is to understand the economic power of credit “which quickly translates into social power” (Yunus, 150). I find the idea of credit as a human right and the “people’s economy” that Yunus believes microfinance can create to be an exciting concept for social justice—as I believe this “people’s economy” can be part of the “noncorporate globalization” that women participate in and that transnational feminists such as Desai (2009) encourage. Yet, as I have previously shown, Yunus’ lack of attention to structural violence and to the gendered aspects of the global economy with which women contend leaves this theory lacking. I will discuss the ways women, and particularly women of color, experience disenfranchisement from the systems of global capital that concomitantly shape women’s economic lives and inflict economic violence that women have few options to combat. In describing the ways that women are disenfranchised, I then suggest that microcredit can provide enfranchisement because of its microeconomic scale that potentially can enfranchise women into a people’s globalization that offers “noncapitalist” economic openings.

There are three key ways women are disenfranchised by hegemonic global capitalism, and that I believe microcredit can contest, that I will attend to here:

invisibilization, commodification and discipline. I explore in this section some of the repercussions of disenfranchisement as experienced by women of color in the U.S. and global South, and how microfinance operates to enfranchise women who would normally reside in the economic margins. Women's participation in the capitalist structures in which they *would otherwise not be entitled to*, and are in fact restricted from, results in something distinct and ultimately a "more complex social formation, one which is not dominantly or only capitalist" (Gibson-Graham, 131). I believe that as a consequence of incorporating the very bodies typically rendered invisible, commodified, and disciplined as capital's Others, this generates tears in the capitalist fabric that exists for/by economic elites. A function of capitalism and free market ideology is delineating those with capital as *Human* while naturalizing the poor, those without capital, as a less-human/less-deserving/less-worthy *Other*. Simultaneously, such ideology obscures the power relations of vast economic disparities created by capitalism. As the disenfranchised claim subjectivity apart from capital's Other, as economic actors, these "dynamic and conflictual interactions" (Gibson-Graham, 131) shape new economic formations which act to challenge hegemonic global capital situated in heteropatriarchal white supremacy.

Rendering Women Visible

Racialized women are essentially made invisible under the gaze of economists and analysts of global trade and economic growth. Desai (2009) points out how "[e]ven in feminist analyses of gender and globalization, women appear mostly as exploited workers and transnational caregivers" (14). Since our analyses of

globalization are so often gendered masculine and performed from the top-down, and since women do not occupy the (masculinized) social and economic space of multinational corporations, everyday women's economic activity is repeatedly dismissed. Additionally, the economic pursuits of women of the global South are often ignored by global elites as a sign of underdevelopment and are not counted as contributing to economic growth (Desai 2009; Mohanty 2003). Very rarely is the economic agency of women an analytical point of focus, though doing so provides new insights into grassroots globalizations and global economic processes.

In Desai's (2009) study of African women's cross-border trading, she describes women traders as "innovators" and "important global actors" who encounter structural constraints as well as opportunities that have important implications for political economies (15). Many of these women have created local and regional networks to increase their quality of life and, Desai argues, they "constitute globalization even as they are impacted by it" (15). Though microfinance programs claim to center women's agency, women are always presented as "personally responsible" independent economic agents rather than actors who execute choices within the confines of existing economic and social power formations.

Furthermore, these social/economic institutions of the lending and financial industry, stock market and Wall Street, investments and portfolios, and the like are set up to exclude women of color from full access. Hill Collins conveys that "interlocking social institutions have relied on multiple forms of segregation" to produce an unjust system. There remains little space to counter dominant narratives of equal treatment

when women of color are rendered virtually invisible through media, politics, and the language of political economy. Moreover, when oppressive ideologies are challenged, and it is no longer considered popular to overtly oppress, then power takes on new, more subtle forms.

Humanizing Bodies

Historically, U.S. capitalism has operated by commodifying the bodies of women of color and dehumanizing them to more easily extract their labor. Analyzing Black women's work and their victimization in the labor market under capitalism, Hill Collins (2000) explains Black women are "dehumanized objects, [...] living machines, [since] fully human women are less easily exploited" (51). Through the viewpoint of women of color, capitalism has shown itself as an economic system that is exploitative in its very inception, perpetrating the oppression of women of color. "Controlling black women's bodies has been especially important for capitalis[m...] in the United States. [...] Black women's labor, sexuality and fertility have all been exploited" via capitalist mechanisms (Hill Collins 143).

Under globalization, racialized women are highly concentrated in today's global assembly line in export-oriented economies. The commodification of their labor as cheap, pliant, and economical is a deeply racialized process "that draws upon ideas of 'Third World' women as best suited to the monotonous working conditions found in some of the most globalized sectors of the world economy" (Elias 402). And migrant women laborers, as they frequently cross borders as part of the "global care

chain,” are in vulnerable positions in the global economy which allows for a more efficient extraction of their labor by capital.

Making Worthy the Un(credit)worthy

Racialized women are employed by capital for the purposes of wealth accumulation by elites but disciplined out of wealth creation and full citizenship in the political economy of global economic restructuring. This political economy deems a small group (of economic elites) as “credit worthy” and the large majority of the world as inherently “un(credit)worthy,” and women of color in particular are delimited as such. I posit that women of color and single mothers are disciplined as non-normative women by the state and the structures of capital such as credit markets and financial systems, as they do not embody coherent citizenship within the white supremacist heteropatriarchal order. In some ways, all women are punished that way—white supremacy disciplines both white women and women of color (through sexual violence), as Smith (2006) argues. For women of color, I see this as a deliberate process wherein if women of color desire full enfranchisement, they are admonished to abide by the rules of heteropatriarchy. This is exposed, for instance, in the ways U.S. women of color are disproportionately sold subprime loans no matter their credit score. Though women are 32 percent more likely than men to be the recipients of subprime mortgages generally, specifically “Black and Latina women borrowers are the most likely to receive sub-prime loans at every income level” (Venkateswar, no pg), regardless of their “credit-worthiness.” For this reason, since 2007, foreclosures in the

U.S. have greatly affected women of color, and they have been largely dispossessed from one of the most integral sources of asset and wealth building.

Undeniably, targeting women of color for subprime mortgages reveals less about diverging “credit scores” than hegemonic narratives of corporate capitalism would persuade us to believe, and instead reveals a matrix of racialized heteropatriarchy deeming women of color as inherently un(credit)worthy. Since, as Andrea Smith (2005) argues, “heteropatriarchy is the building block of US empire [and...] of the nation-state form of governance” (71), women who fall outside of the legitimacy of the traditional family ideal are penalized by a global capital system. We can clearly distinguish how this un(credit)worthiness effects racialized single women and single mother-headed households, who as women rejecting the bounds of heteropatriarchy, are coerced into or limited by circumstances that restrict capacity for economic self-determination.

These credit and financing practices are not the only way women are disciplined for not adhering to the heteropatriarchal order. Other state instituted social services and welfare policies encourage/coerce benefit recipients into heterosexual marriage for their economic wellbeing under neoliberal supply-side economic rationale. Marriage promotion was a central tenet of the Personal Responsibility and Work Reconciliation Act (PRWORA), which disenfranchises and penalizes women of color who fall outside of the heteropatriarchal arrangement. I believe this can be understood as operating to discipline non-normative women as “un(credit)worthy.”

Contrary to the hegemonic narrative of who comprises the “credit worthy” in our global economy, microfinance programs have demonstrated that disadvantaged populations, “[e]ven though they are not trained in the intricacies of modern finance” (Dowla and Barula, 21), are resourceful borrowers. In a U.S. context, this would include the poor and working classes, women of color, single women and mothers, and women who comprise the majority of our world’s low-wage labor force. Seeing these populations as worthy of credit would exist in direct opposition to the mechanisms of capital that, as Yunus himself explains, “have favored the rich and in doing so have pronounced a death sentence on the poor” (150). Against the dominant ideology of the financial sector, which demonizes the poor and disadvantaged so as to render them invisible to or untouchable by economic structures of lending, microfinance programs are directed at poor women of color who are traditionally deemed not “credit worthy.”

As I have described above, and will continue to address further, women are disenfranchised from global economic structures. I believe microfinance, by putting economic and social power in the hands of women who are otherwise deprived from the mechanisms of the economic system that build wealth, microfinance offers possibilities for women to transform economic power relations from the grassroots level. Muhammad Yunus has framed the concept of credit as a human right, rather than solely a privilege for economic elites. I suggest that microfinance can bring the economically disenfranchised, particularly women of color, into engagement with the economic structures that have disallowed them a more advantaged future. By

enfranchising those who would otherwise be absent from, or expressly forbidden from, engagement with systems of wealth-building and financial security, microfinance can be employed for economic justice. In this way, we can understand microlending as putting power in the hands of the powerless—which changes power itself and offers transformational possibilities for “noncorporate” globalizations.

Shifting Investment Paradigms

Here I will argue that, within a new economics—an *economics of promise*—microfinance can be a political act that can shift prevailing investment paradigms, particularly for those who believe in social justice. The viewpoint of popular economics suggests that, by effect of the “diminishing returns principle,” there ought to be no need for microcredit schemes; money should automatically flow from rich depositors to poor entrepreneurial borrowers (Armendariz & Morduch 2010). Yet, this has shown to not be the case, and the need for microfinance clearly reveals this logic as deficient. Hence, the concept of microfinance generates tears in the rationalizing fabric of neoliberal capital via the capacity for poor women to engage in the economy “from below,” and in so doing expose one of the intrinsic contradictions of capitalist ideologies. Contrary to prevailing trickle-down economic theories, wealth—and credit—does *not* trickle down, or there would be no need for microcredit. Even as microfinance advocates champion the beliefs of the free self-regulating market, the need for microfinance exposes the all knowing, free market as myth. In other words, microcredit points out the incongruity of placing complete faith in a global capital

system to put an end to poverty which has itself disallowed the “development” of those deemed ill-favored by/within capitalism.

As microfinance exposes flaws in neoliberal ideologies of a free market that self-regulates and provides opportunities to all, it also provides openings for alternative paradigms of capital investment. U.S. citizens occupy positions from which to confront the imperialist functions of globalization that originate with our government and that contribute to women’s oppression both at home and beyond our borders. By bringing our paradigms of “investment” in line with feminist economic justice ideals of valuing women and marginalized people, we can use a microcredit model to “propose new standards and rules for what is or is not economically valuable” (Eisler 4). Correspondingly, while transnational feminists have critiqued globalization’s detrimental effects on women’s lives through global economic restructuring, we can picture new visualizations of women’s emancipation by recognizing that women are not solely reactive to globalization, but also shape new globalizations. Desai (2009) highlights the need and possibilities of “non-corporate” globalizations to counter the corporate globalization that dominates economic theory and the “neoliberal governmentality” that “create[s] responsible, private economic subjects whose actions further corporate globalization” (94-95). Women can, and do, participate as economic actors within the various constraints of their lives, and women deserve legitimate options to contribute to globalization as they see fit.

Feminist economists and economic justice activists implore us to demand and support alternative modes of economy that prioritize the goal of *human* development

over *monetary* growth. These alternative modes seek to counter the structural violence of racism, sexism, homophobia, and poverty that restrict human agency and survive capability. These are alternative economic modes in which thriving to our fullest human capacities is the goal. We must reconsider our current economic and investment paradigms which have allowed the devaluation of women and the traditionally feminine, such as reproductive labor and care work. We ought to offer a plausible response to the hostility of capitalist economics asserted by the idea that the “individual” is always/naturally out for monetary gain. This response is a vision of economic justice as transnational feminist praxis.

Not unlike other systems of our lives, economies are socially constituted. Economies shape and are shaped by actors in economic systems. Working from an entry point of women’s agency, if we—and by this, I mean feminists, global, economic, and social justice activists, progressives and others who care about women and all of humanity—would like to change our economic and lending system into one that values social and economic justice and community rather than corporatization, we can change the system by introducing practices that correspond to those ideals. If we believe that investing in our human capital and capacities is priority, then we can enact economics that foster those priorities. The human capital that I speak of here is not the human capital that many economists refer to—human capital that sees human beings solely as working bodies or machines to be employed for capitalist purposes. On the contrary, this human capital is that which acknowledges that human beings themselves are a most precious resource. And the human capital I speak of refers to the capacity

of all humans to tap into their promise—their ultimate potential—when living lives free from structural violence. Investing in human capital, in an *economics of promise*, is a commitment to foster the ability, capability, and talent of human beings, because they are human beings—not deemed so by any nation state or entity, but because they are inherently human.

Undoubtedly, many U.S. citizens hesitate to imagine economies other than a particularly Western, Euro-American version of capitalism that structures our lives today in ways that are vast and ingrained with evocative language of democracy. Neoliberalism, capitalism and freedom are intertwined in the hegemonic rhetoric of the U.S. nation state so that, “the economy has increasingly become the social site which dictates or constrains social policy [...] which is now debated almost entirely in terms of how [policies] fit in with the imperatives of the market” (Fred Block qtd. in Gibson-Graham 92). In this way, our ideas about economies, democracies and our selves are shaped by corporate good and profit rather than human potential and social justice. The proliferation of ideology of *capitalism as democracy as capitalism* also obscures power relations among those who have and have-not through ahistorical notions of economic relations. In *The Real Wealth of Nations: Creating a Caring Economics*, Riane Eisler enumerates how these economies then act to enable injustice:

Economic systems both reflect and perpetuate the underlying social structure and values, in a constantly interactive process. If the social structure and values orient to the domination system, so will economics. But at the same time, as

Marx and Engels recognized, how economic systems are structured plays a huge role in what kind of social structures and values we have (148).

To disrupt the unjust practices of globalizing capital, we must start changing the U.S. “domination system” as the U.S. is a foremost player in processes of development and globalization that shape structural violence in the lives of women in the global South and North.

We must shift these ways and we must be able to imagine new ways. To start, we can look at capitalist ideologies of “investment” through a transnational feminist lens focusing on microeconomics, using microfinance as a model. The current “domination system” values short term investments with high profits, profits above all else and no matter what, and predominantly attaining this above human life. Microcredit illustrates how investment on a microlevel in human capital can have major implications for the potential of women and all people to thrive, and to exercise agency. And often, even feminist researchers and thinkers underestimate the ways that participation of the marginalized in areas they are typically excluded from can create new social and economic formations.

This alternative paradigm requires a shift from accepted wisdom about “investing” that relies on the myth that “smart” investors insist on short term, high returns to a paradigm of long term, slow returns that pay back in nuanced ways. With investments that pay dividends in cleaner environments, lowered poverty, social and economic justice, and quality of life as well as dollars, we can make sense of microfinance as a political act. In the U.S. and throughout the world, investments that

reap proceeds in human potential and social justice in turn benefit all of our communities in constructive, sustainable ways. In opposition to mega-finance which invests in global economic elites and multinational corporations and (re)concentrates wealth in the upper tier, farsighted and justice-minded individuals can invest in disadvantaged populations and help generate “non-corporate globalizations” through microfinance. This then can be imagined as part of the “people’s globalization” movement which Walda Katz-Fishman and Jerome Scott (2008) write of: “This movement is locally grounded, nationally networked, and globally connected [...] a people’s globalization in response to capitalist, neoliberal corporate globalization” (232).

The “people’s globalization” draws from all sectors of society, and though “investment” typically entails those who have excess funds that they would place in “investment accounts,” shifting our paradigms of investment can happen in any sector. For those who do not have assets, we can shift our very ideas of banking, savings accounts, and our own credit lenders. As one of the obstacles to wealth accumulation for disadvantaged communities is the flow of money out of communities, we must reconsider presupposed ideas about the lack of power in our own hands. Banking with local community banks and credit unions, those that support other poverty alleviation and wealth-building devices such as Individual Development Accounts (IDAs), which I will discuss further in the next section, are ways we can consider to decentralize monetary and banking systems that are “too big to fail” and localize our economies, monies and investments, so as to build wealth from within.

(Re)Distributional Politics

Social wealth continues to be distributed upwards through neoliberalism, big bank bailouts and tax cuts for the rich, and though wealth is increasingly concentrated among the economic elite and there is some public concern over poverty, “there are very few public calls for a reinvigorated politics focused on wealth redistribution” (Gibson-Graham 177). The economic gap between U.S. families who have and who have-not has widened at alarming rates; while the top third of families experienced a 7 percent increase in median annual income over the last decade, the bottom third of families experienced a 29 percent decrease (Venkateswar). This gap is more disturbing than solely the disparity in wages, as women-headed households also have less than one-third the wealth of other U.S. families. For African-American women heads-of-household, the situation is extremely dire, as “for every dollar of wealth held by the typical white family in 2007, the black family had one dime, down from 12 cents just three years earlier” (qtd in Venkateswar, no pg). To counter this alarming trend, I believe microfinance can be a form of a “new distributional politics” that Gibson-Graham (2006) discusses which are “quite different from the more established politics of distribution that focus on the wage/profit shares and mechanisms of state redistribution, [...] they quietly offer the opportunity to contemplate different and even non-capitalist futures” (179).

State narratives, Hill Collins reflects, “are designed to exclude Black women and other women of color from full citizenship rights” (295) which then perpetuate and are perpetuated by unjust power relations, as is the case with the racialization of

women of color in the U.S. as the “undeserving poor.” The distinction made between the “deserving” and the “undeserving” poor in the U.S. public imagination has a long history that is entwined with Western European ideas about poverty and who it is, exactly, that comprises the poor (Katz 1989). The conflation of the single mother of color with/as the parasitic poor who feeds off the public good gained prominence during the 1980s, and though the majority of women who receive welfare have always been white, Regan’s caricature of women of color as “welfare queens” used race as a wedge which created a backlash against social services (Katz 1989; Omi and Winant 1996; Quadagno 1994).

This backlash against the racialized “undeserving poor” succeeded in bolstering cuts to welfare services and assistance to poor women, as the disadvantages faced by women of color were “construed as the result of deviance from the Christian family ideals rather than as the result of [...] economic forces” (Hill Collins 295). Prevailing neoliberal ideologies about the role of the government and rhetoric that blames racialized women for their own inequitable circumstances resulted in welfare “reform” and PRWORA of 1996, effectively creating an entire class of working poor mothers. Notably, since these policies were enacted, many states no longer count college attendance as a qualification for benefits, which led to a huge decline in the numbers of poor women enrolled in college, though public college education has been a vital means of poverty alleviation for many people of color in the U.S. (Lui, et al. 2009). U.S. women of color have long experienced the structural violence of poverty, lack of living wage jobs, wage gaps, and historic wealth disparities, and as many

feminists have noted, for women, particularly single mothers of color, economic despair is not an experience new to this recession.

Economic violence against U.S. women of color is justified through their construction as the “undeserving poor,” which serves a purpose in the cheap labor system. If not for that, then we might hear more about how welfare is actually good economic policy. In fact, the Center for Budget and Policy Priorities asserts that “direct funding to individuals represents some of the most effective job-creation and job-protection measures available. The \$4.5 billion increase in food stamp benefits in the stimulus package resulted in a total of about \$8 billion in economic stimulus and kept more than one million people out of poverty” (Ajamu, et al).

I believe that microfinance, along with Individual Development Accounts (IDAs), and community credit unions, in conjunction with strong social services policies can be tools of a new distributive politics to counter the structural violence of neoliberal capitalism in the lives of women of color both in and outside the U.S. While microcredit entails lending small amounts of funds that must be paid back to the bank, IDAs are a matching-funds concept that does not require repayment. This model is one type of distributive economics that might also be used in numerous ways for economic justice. IDA savers are able to use their funds to start a business, put toward their education, and use as a down payment against a home. In a *promise economy*, both microcredit loans and matching-funds IDAs would be well-funded, ordinary aspects of investing in our human capital, enfranchising women, and generating wealth for marginalized communities.

The Asset Policy Initiative of California has provided a framework of four areas of wealth-building to rectify these racialized and gendered wealth inequalities: asset accumulation (such as savings accounts), asset leveraging (loans), asset preservation (foreclosure prevention), and asset creation (community wealth-building). IDAs are a high-powered savings account that has dynamic potential as an asset accumulation tool. Microcredit can provide an opportunity for asset leveraging and, along with other similar formations such as grassroots microlending cooperatives, afford the “social power” of credit that Yunus (1999) speaks of:

In economic theory, credit is seen merely as a means with which to lubricate the wheels of trade, commerce and industry. In reality, credit creates economic power, which quickly translates into social power. When credit institutions and banks make rules that favor a distinct section of the population, that section increases both its economic and its social status (150).

Though some might interject that this sounds more like a *debt*-creator for microloan borrowers, rather than a wealth-generator, I agree with Gibson-Graham that, “the financial sector can be seen, then, as an *opening* in the body of capitalism, one that not only allows capital to seep out but that enables noncapitalism to invade” (138). Putting power in the hands of the powerless and increasing the economic and social status of the powerless can provide areas of noncapitalist transformations of power. Here again, rather than dismissing the need for women to engage in a people’s globalization to argue for a “pure” form of anti-capitalism, I look to women’s lives to understand the ways that we desire, and need, to have legitimate opportunities to improve our

economic and social lives. From there, I can read up the power structure to argue for new conceptualizations of anticapitalist feminist economic justice.

I argue here that microfinance can be employed as a political act through (re)imagining its power and potential to enfranchise women and invest in our human capital within an *economics of promise*. Furthermore, I do *not* argue for the possibility of any of these strategies to be seen as encompassing economic justice alone, or as poverty alleviation panaceas, but as “noncapitalist” spheres of “noncorporate globalizations.” Within an *economics of promise* that values human potential over and above monetary profits, microfinance might exist as a tool of economic justice alongside innovative strategies such as IDAs. I believe these tools can operate in noncapitalist ways, in partnership with requisite strong anti-neoliberal policies, in the service of economic justice. Social services for the poor and working class must be in place prior to making the most of any of these methods, and strong safety nets for who work in the informal sector are important aspects of a *promise economy*. In my conclusion, I will turn my attention to the women borrowers of microfinance loans to consider additional strategies for the future of poverty alleviation and transnational feminist economic justice.

Chapter 5: Conclusion: The Future of Economic Justice

This research has employed a *methodology of hope* to uncover something currently mired in neoliberal capitalism for use in possibilities of transformational feminist economic justice. I argued in this thesis that it is important to understand microfinance in its current form as a tool of neoliberal capital in service of corporate globalizations. In previous chapters, I also examined the ways that microcredit in its current form, and the discourses around it, are harmful not only to women in the global South but also to poor women, particularly women of color, in the U.S. And further, I offered a paradigm of economic justice informed by transnational feminist theories so as to (re)imagine microfinance as a political act of noncapitalist “people’s globalization.” With this research, I have sought to demonstrate the complexity of the processes that structure the global capital system and to affirm that feminist scholars must, and can, obstruct the hegemonic forces that perpetuate structural, economic violence in women’s lives.

Yet I remain dissatisfied with the ways structural violence is unattended to by the major global players, aid and development organizations, who have the power to shape global agendas addressing how to mitigate structural violence. So, as I consider the ramifications of my research findings, I want to reflect on future research questions, specifically for shaping poverty alleviation policy from/through grassroots transnational feminist praxis. I hope that feminists can imagine new economies and new visions of economic justice with practical strategies to improve women’s lives, keeping in mind the structural violence women contend with. Here I have begun to

posit microcredit as a strategy of an *economics of promise*. This is an economics that holds as a central tenet both the promise and potential of human beings to do great things under conditions that foster greatness, and the promise that we as citizens of a global community make to one another to always value human life over and above monetary profits. Investment paradigms in an economics of promise recognize that investing in human capital reaps dividends that are varied, and not always/just monetary. In future projects, I will continue to articulate the vision of a *promise economy*.

We must make economic justice organizing around the global economy central to the social justice work within the U.S. We must employ transnational feminist theories to inform our organizing, and vice versa—particularly those knowledges and practices that center women’s agency. And we must continue to interrogate the images of “difference” that obscure the sources and solutions for structural violence simultaneously with our anti-capitalist critiques. These suggestions will allow for more opportunities to meet across the identity lines of our specific social locations, and drive much-needed issue-based organizing that acknowledges and works out of our interconnectedness (Dutt 527). Since poor and working class people and people of color are seen as dispensable within and to our world economic system, this must be at the core of our analyses: that our liberation is bound together.

With this work, I join many scholars, economic justice advocates, socialist and transnational feminists, who have issued a call for intervention into the discourses of neoliberal capital to uncover those “noncapitalist” formations that are transpiring

currently, or which have the potential to manifest. We need to consider (how to make) microfinance a political act, not a deficient poverty alleviation tool for the global South, but a paradigm for transforming and shifting our ideas of investment and the types of “profits” we want in a just society.

Further, we must not rely on microfinance as a panacea for poverty. Microfinance is a tool that can create “noncorporate globalizations” and noncapitalist economic spheres, but only if it subsists alongside strong social policies. In broad terms, future research must generate other tools for economic justice and influence policy around poverty. While this study does not attend to that question, that is often the question left after a critique of the tools of capitalism: if not that, then what?

I contend that creating solutions is, in some ways, an easier task than one might think. We must begin to ask women and everyday people what they need and want in their lives. In microfinance and microenterprise case studies I have reviewed, (Desai 2009; Fernando 2006; Karim 2011), poor women were keen to answer that very question. They will say they need public education for their children, they need social services, they need their work to be acknowledged as work, and they also need credit and funds to invest in their businesses—credit that is accessible and fair, not disciplining.

If women are made visible and influential in the world economy, if women’s participation is encouraged and sustained in decision-making, and women set the agendas for their own communities, herein lies the answers and solutions to major structural and policy failures and abuses. In both the global North and South, it is “important that marginalized communities understand their power as well as their

victimization” (Dutt 528) and that we channel that power into oppositional economic justice practices.

As I researched and wrote this thesis, I kept forefront in my mind that this is not merely an academic exercise. As I (re)consider microfinance, structural violence, and economic justice in this paper, I do not want to lose sight of the economic justice praxis that must be central to feminist theorizing and social justice work—with marginalized women at the center of that analysis. While I argue that microfinance rhetorical devices encourage citizens of the global North to focus on poverty as somehow inherent to the global South therefore ignoring the structural violence domestically, I remain resolute in finding ways to connect the *here* and *there*, rather than perpetuate a false divide. In Mallika Dutt’s (1996) article on U.S. women of color at the UN Beijing conference, she denotes how that very divide can be maintained through our scholarship, since “many dissertations have been written about women’s lives in the third world by women from the U.S., but rarely do women from the South come to ‘study’ U.S. women” and the problems in the global North. The power that is infused in the relationship of the researcher to the subject is demonstrated through the ways scholars have assumed to be able to implement policy from the top-down. That is not the intention of this study, but rather to find “shared basis for action” (Dutt 524) around economic justice for social justice work and women’s movements of the global North with those of the global South.

And even as I conclude this project, the U.S. is in the midst of a home-grown economic disaster as the failures of neoliberal deregulated markets have distended our

financial systems and caused a collapse of financial structures created by deregulation. It is frequently stated that crisis can create opportunity, and I believe that *is* the case with the current bleak economic conditions. Global capitalist systems are being exposed as exploitative and destructive. The corporate financial industrial complex has been revealed as largely contributing to, if not chiefly responsible for, the failure of our economy. This crisis offers us opportunity but also urgent challenges—as power often re-invents itself, if transnational, anti-capitalist feminists do not intercede discursively into the political economy of this crisis, the neoliberal capitalist rhetoric of white supremacist heteropatriarchy will find ways to shift the attention away from the corporations and capitalist systems at fault onto the backs of the poor and working class, particularly lone mothers of color in the U.S., many who are currently being dispossessed of their homes as well as cut off from social safety nets.

In the future I anticipate exploring further how, with the onset of the Great Recession in/by the U.S., the hegemonic rhetoric of the state has deemed certain bodies—namely “un(credit) worthy” women of color—to have been (and remain) a cause of financial crisis. Microfinance exists oppositionally to this rhetoric, claiming credit is a human right, a need, and that poor women *are* credit worthy. This tension may provide insight into how structural violence continues to fall on women of color. Feminists must urgently intervene into the powerful, demonizing rhetoric of the politics of crisis which scapegoats women and communities of color.

I will continue to employ a *methodology of hope* to seek to make feminist interventions into a political and economic system that marginalizes and exploits. I

will endeavor to read up the power structure so as to seek out the openings within hegemonic rhetoric in order to subvert the ideologies of the *deserving* and *undeserving* poor. It is the good and necessary work of feminist economic justice. As Western imperialist capitalism increases its influence transnationally through corporate globalization and development processes, of which microfinance is currently a central aspect, neoliberalism increases its reach. So must transnational feminist economic justice urgently increase its reach, and proliferate with critiques, scholarship, organizing, action and vision.

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Appendix A

Who Are “The Poor”?: One Measurement in the U.S.

The 2011 Poverty Guidelines for the 48 Contiguous States of USA and the District of Columbia	
People in Family	Poverty Guideline
1	\$10,890
2	14,710
3	18,530
4	22,350
5	26,170
6	29,990
7	33,810
8	37,630
For families with more than eight people, add \$3,740 for each additional person.	

Source: www.oregon.gov/DHS/spwpd/sua/docs/2011-fed-pov.pdf