

Trapped in ideology.
The limitations of micro-finance in helping
women creating viable micro-businesses.

Emmanuelle Christine Alain Desmedt

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ABSTRACT

My research asks whether or not micro-finance represents a viable alternative to waged employment for women, as is the current international policy claim. To answer this question, I compared the accounts of 22 micro-finance agency employees in the UK and in Belgium with those of 20 self-employed women who received support from these agencies.

The results suggest that there are major differences between what most agency employees imagine being problems for women in self-employment (e.g. lack of confidence, lack of training), and what women actually experience (e.g. competitive markets pressures, low-profit sectors, insufficient regular unpaid helpers in their businesses). The data collected among these 20 women has also revealed that most self-employed women earn low or no income in self-employment, and wage employment would represent a better alternative to meet their needs.

My thesis is that the individual's quest for self-fulfilment at work and the current political argument for the increase of economic growth through micro-

businesses have favoured the idealisation of both self-employment and micro-finance for women.

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I declare that this thesis is all my own work and the sources of information and material I have used (including the internet) have been fully identified and properly acknowledged as required in the guidelines.

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2. INTRODUCTION

The first time I heard about micro-finance and micro-business start-up support programmes was in 2003, while I was working for a feminist organization in Brussels. A renamed business start-up support agency had contacted us to collaborate on a European Employment Fund funding call. They argued that they had the business support expertise, and that we had the women expertise. Their argument seduced the board of the organization and very quickly meetings and gathering started. I was seduced too. I thought that micro-finance and peer lending support for women would have an empowering effect on women who were in economically precarious situations, and with whom we were working in Brussels and all over Wallonia.

Micro-finance – investing public money to support the micro-business development of women with no money, no collateral or savings, and who repeatedly remained on the outskirts of the labour market because of lengthy career interruptions or racial discrimination – appeared a very attractive solution to the problems faced by our user group. After reading about it in the newspaper, familiarising myself with it on micro-finance websites, and a

couple of in-depth discussions with our colleagues from the business support agency, I was also convinced. Micro-finance would not only be a good alternative to waged employment for the women we worked with, but it would also increase their self-esteem, and here I cite myself from 2003, their ‘self-confidence’. Reflecting on my past perceptions on confidence, women, and self-employment is an important aspect of the thesis, both from a methodological and content point of view. For example, I will show that the issue of ‘self-confidence’ represents a major source of both bias and contradiction in the micro-finance sector. While micro-finance employees and policy makers claim that women’s lack of self-confidence justifies the creation of specially designed incentives attracting more women into enterprise, absolutely nothing in the discourses of the self-employed women I have interviewed reflects a lack of self-confidence. A couple of years ago I was myself using the language of current micro-finance actors, without any awareness that I was reproducing (1) an idealised discourse of micro-finance, and (2) a gendered discourse on self-employment. Discourses and the language used are not only a means to simplistically describe things and the universe around us, but also a way to create and re-create it, its social interactions included (Fairclough, 1984). My vision of micro-finance in 2003 was produced by an idealised version of it spread in the media sources that I had naively used to build up my initial knowledge of micro-finance.

Luckily for us, discourses and language – and their consequently constructed

social realities – are also subject to change and movement with the combined effect of the passing of time and additional lived experiences (Ricoeur, 1984).

As I took the ferry to the UK and embarked on a Masters degree at the University of York in 2005, I already knew what would be the subject of my research dissertation: micro-finance, and its impact on the (economic) lives of women. Of course, I had no idea that my enthusiasm for micro-finance would be challenged as a result of my research. Unlike the websites and advocates, academic literature in the field did not predict such optimistic outcomes of micro-finance. Later on, after I gained a deeper perspective of micro-finance by interviewing people, I confronted my own prejudices and stereotypes. Coming back from interviews to discuss the data with others and then re-thinking about it, I realised that I had carried with me an idealised picture of micro-finance. Encouraging self-employment as an alternative to wage work is not a miracle cure for economic deprivation, nor for gender inequality.

I was not the only one to have in mind an idealised representation of micro-finance. In 2006, Mohamed Yunus won the Nobel Peace Prize for doing micro-finance (The Wall Street Journal, 16 October 2006). He did not win the Nobel Prize of Economics. No. He won the Nobel Peace Prize. A bank selling micro-credits to Bangladeshi women with no income and no collateral is perceived as something increasing peace in the world even though, so far, the positive impacts of micro-finance have not been proved (Roodman and

Morduch, 2009). Micro-finance is then invested with unrealistic hopes by the media while so far social scientists have not been able to ascertain its exact effects on people's lives in different parts of the world.

My thesis contributes to knowledge by filling in this gap and examines a fraction of the effects of micro-finance. It examines how it affects the working lives of a sample of micro-financed self-employed women in two Northern Western European countries (UK and Belgium), a region of Europe where self-employment is lower than in other areas of the world (Arum and Muller, 2004), and where legislation ensures better social security for waged employees than for self-employed workers. I examine the other side of the picture: policy makers and micro-finance employees' perspectives on women's experiences of micro-finance and micro-business development. I also examine how and why self-employment is promoted for low-income women through micro-finance, and why the idealisation of micro-finance is reinforced when it targets women.

Previous literature also states a lack of rigorous examination of these complex issues (Carter et al., 2001; Marlow, 2006*a*; Ahl, 2006; Johnson and Rogaly, 1999; Evers et al., 2007), especially for the European context. In particular, in a recent review of micro-finance, Evers et al. (2007) found that nothing is known about the quality of life and the type of employment of micro-business owners. They therefore recommend further research to examine this crucial aspect of micro-finance and ask:

Do [micro-finance] clients actually improve their living standards or do they rather become part of the working poor? (Evers et al., 2007, 30)

The thesis empirically and theoretically contributes to answering this question. It looks at the quality of incomes and quality of time at work for the female participants of micro-finance, and examines what type of employment self-employment is for the interviewees. To do so, a first set of research questions asks:

- What makes micro-business creation an attractive or unattractive employment option for women?
- How do individuals make sense of the business start-up support they receive? What issues do women find with their own – and the agency’s expectations – in respect of income, long term economic independence (and long term financial security), welfare, employability, stress, health and well-being and attitudes to domestic production (including child-care)?
- What are the issues in relation to business start-up creation and the family (including support from relatives, partners, and spouses)? Do programmes take account of them?

Reviewing the literature has revealed that there are no academic studies comparing women’s experiences of self-employment and micro-finance em-

employees' perspectives on gender and micro-finance. Examining the way these discourses and accounts match and do not match is crucial. Indeed, the thesis will show that employees' own views on micro-finance shape their working practices. This has a direct influence on women's experiences of self-employment, on their economic independence and on their standards of living. To observe women's experiences with the perspectives of micro-finance employees, I then ask:

- From the perspective of the women I interviewed, do business start-up programmes and agencies represent a positive experience for women wanting to become more economically active?

The data collected for these research questions show that women earn low and very low incomes from this form of self-employment and that agency employees perceive female participants' incomes as being higher than they are in reality. This led me to a deeper investigation of what happens in the field of policy making, and to search for explanations in the perceptions of micro-finance agencies' employees. Following this, I investigated two supplementary questions:

- Why are policy makers and agency employees promoting a model of employment that is not economically beneficial to many of the women who have been supported into it?

- Why is it acceptable to intervene on a policy level to encourage low-income women into self-employment but not to intervene to steer them away from unprofitable sectors?

It would be an oversight if I did not discuss the changing discourses of gender and micro-finance from the side of the agency employees. If meanings, representations, and positions have changed over time for me, they have also done so for my respondent agencies. In 2007 when I interviewed a representative from a support agency, he was very keen to tell me about his organization's awareness of the difficulties met by female participants in their programmes. He described the efforts they had made in designing two different flyers, one for women and one for men. One pictured a woman carrying a pair of red boxing gloves in the shape of a heart, and the other pictured a man wearing the same pair of gloves, blue this time, and throwing his fists in the air. Today we are less than two years further on and this same agency has changed the flyers and taken this gender different picture out of their advertisements. They have removed the picture of the woman holding a heart and replaced it with a picture of a woman wearing gloves (which are still red), and throwing her two fists in the air. This time the woman and the man are placed in the same picture, even though the man is facing forward while the woman is at the back, where her picture is smaller and shows her in a lateral position. This means that for this agency, the representation of female entrepreneurs with a red heart has changed, and that today the female character is also

using boxing gloves to fight about something, even if she stands at the back, and is not facing the picture upfront, like the male does.

Similarly, several self-employed women have experienced changes in their visions of self-employment, which have resulted in a change of business sector. This is the case of Elisabeth who started up a micro-business as a hat maker, had her own shop, and then stopped it because she judged that she did not make enough income for the hours she put into it. Elie has gradually moved between two jobs as a self-employed person. She is a massage therapist and does this activity 10 to 12 hours a week. She has gradually increased her hours as a communication consultant the rest of the time because ‘doing massages eight hours a day the whole week is physically impossible, and is anyway not financially rewarding’, she says. Sarah, one of the agency employees, reported that she had lost faith in the possibilities of micro-finance after working for a few years in the field.

My experience of researching this topic is to reinforce the observation that ‘women’ are a non-homogeneous category (Mohanty, 1988), which is liable to give polarised results when studying it (Gill and Bakker, 2003; Ahl, 2004). This has been the case in my research, with two groups of self-employed workers having very different experiences of self-employment.

The gaps between the policy view of gender and micro-finance, employees’ views, and the views and experiences of women in receipt of micro-finance

is a key finding in the dissertation. By examining three types of discourses (policy, agencies, female self-employed workers), the thesis shows how the utilitarian argument plays out in the current micro-finance sector, and how in all cases, policy discourse does not match the expectations of self-employed women and the experiences of gender equality and self-employment revealed through the interviews. The thesis highlights the gaps in and around discourses of gender equality; what is identified by policy makers and agencies' employees as problematic is not considered as important or problematic for the survival of the micro-business owners interviewed. Moreover, what is experienced as a major issue and problem in gaining viable incomes, viable working times and working conditions by women is not addressed by those who want to increase the numbers of female business owners. This results in discrepancies between what is done in addressing gender as a factor in the development of enterprises, and what should be done in order to create real gender equality.

2.1 Why does gender matter so much in micro-finance?

Gender is central to the question of micro-finance, both in developing countries and in the Western world. In developing countries, micro-borrowers are mostly women (Underwood, 2006), and micro-lenders are mostly men (Johnson, 2000). Because micro-finance involves a financial element between an

economically poor individual (usually a woman) and an individual (usually a man) who is part of an institution (micro-finance agencies), and has in his hands a sum of money to lend, micro-finance perpetuates relationships of power and potential dependency between borrowers and lenders/institutions. Therefore,

No intervention [in micro-finance] can have neutral effects when the players do not start as equal. (Johnson, 2000: 89)

Gender relations are structurally, socially and institutionally embedded (Jackson and Scott, 2002). Gender cannot be analysed without taking into account the fact that relations between men and women are the product of ‘hierarchical’, and ‘asymmetrical’ divisions (Jackson and Scott, 2002: 11).

The women who were interviewed for this PhD are part of a system of social gendered relations, both institutionalised in the location of the micro-finance agencies, and personalised in the location of their households. Their interactions with institutions and relatives is marked by this system of gender relations.

Likewise, the female and male micro-finance employees who were interviewed are part of a socially embedded and hierarchically divided system of gender relations, in which employees have power because they take decisions about micro-crediting, and negotiate/impose the terms of these decisions with/on

borrowers in the location of the micro-finance agency.

In Chapter 8, we will see that this system of gender and socially embedded relations echoes models of sex roles (Jackson and Scott, 2002; Bradley, 2007) on the perceived characteristics of women entrepreneurs (e.g. caring and loving). Individuals have been attributed psychological characteristics according to their categorisation as male or female. Stanley (2002) argues:

The idea that there is a sharp biological demarcation of males from females with an associated and automatic segregation of behaviour patterns has come into question as research has revealed that such boundaries are somewhat less sharp and determinate than has been imagined. Women and men are not always nor emphatically distinguished from one another either biologically or psychologically, though social structures may treat people as though they must be distinguished from one another in sharp and discontinuous ways. (Stanley, 2002, 34)

Gender is socially constructed and socially divided according to sexual characteristics, and this arbitrary division of labour and roles has given rise to social and economic inequalities. This is also visible in the way in which occupations are sharply segregated by gender (Bradley, 2007), and similarly in the way in which business sectors are segregated by gender in the field of micro-enterprises (Marlow and Carter, 2004; Ehlers and Malin, 1998).

The fact that there are differences is problematic in the way that social and economic gender divisions have been made unequally and imposed by force

on women (Jackson and Scott, 2002; Bradley, 2007). In addition to this, other socially constructed, institutionalised divisions along lines of ethnicity and class take place in parallel to gender divisions and multiply socially constructed and socially embedded inequalities (Jackson and Scott, 2002; Bradley, 2007).

In this thesis, we will see that the combination of ethnic social divisions and gendered social divisions places ethnic minority women more at risk from unethical micro-finance practices (see Chapter 4). The combination of ethnicity and gender divisions means that they experience unequal treatment in the labour market (e.g. lower wages, lack of respect), which pushes them to choose self-employment and make use of micro-crediting (see Chapter 6).

Gender is heterogeneous (Jackson and Scott, 2002; Gill and Bakker, 2003) because it is specifically located in time, social contexts and culture (Jackson and Scott, 2002; Bradley, 2007). That makes the study of gender very complex to analyse because it must take into account patterns that are common to all women, and patterns that are marked by time, space, class, ethnicity, but also by personal and collective experiences.

Gender is a ‘lived experience’ (Bradley, 2007, 4), that is socially and politically embedded because it takes place among power relations between individuals (Bradley, 2007). Moreover, I argue that gender in micro-finance is highly political because micro-finance is also politically implicated in and reg-

ulated/shaped by public policies (see Chapter 1). Social theorisation of public policy is gender-blind in the way that it does not take into account asymmetrical and hierarchical social relations based on gender divisions (Maynard, 1990, cited in Jackson and Scott, 2002).

Gender (as a concept, as a lived personal and collective experience and as a politically embedded system of social and power relations) cannot go untreated in the field of micro-finance because micro-finance brings up multiple reasons to study gender. It involves questions of access to finances, employment, self-employment, power and social relations between lenders and borrowers, institutionalised power and bargaining power within the family, and all of these elements are marked by gender. Whilst most micro-finance employees usually operate with noble intentions to empower women, gender equality only happens by accident (e.g. in the case of the dental technician) because too many of the consequences of the gender divisions within social reality remain unaddressed.

Consequently, throughout this thesis, I analyse gender in micro-finance by thinking of social relations between individuals whose lives are constructed by a system that has socially and economically divided them on the basis of their sex differences. The difficult task while researching gender is to observe the socially constructed differences and inequalities that are consequential to a system of gender divisions, without losing sight of the fact that these social and economic contextual differences are socially constructed, and therefore

artificially constructed (i.e. not inherent to a feminine or masculine nature).

The next section will discuss how discourses on equality, sameness and difference have been conceptualised differently by different feminist schools (liberal, radical, materialist) and pseudo-feminist discourses (e.g. femocratism).

2.2 Social justice versus utilitarian argument

The concept of sameness and difference between genders is a typical and long standing debate between different types of feminisms (Ahl, 2006). Liberal feminists (Ahl, 2006) argue for the principle of equality and sameness between sexes, while radical feminists argue for equality – in rights and opportunities – and differences between sexes (Ahl, 2006). The first type of feminism is accused of imposing upon women a version of sameness and equality based on traditionally masculine criteria and the second presents the weakness of considering that men and women have characteristics that typically belong to one sex or the other (Ahl, 2006).

I am not satisfied by either of these two versions of feminism and yet they are enlightening in understanding what happens about equality in micro-finance. A challenge in discussing and working with business owners is to take into account that women and men have differences, but that these differences are socially constructed (Butler, 1990, 1993; Delauretis, 1987; Fjellestad, 1998; Bradley, 2007). They are not inherent and essential to men and women, but

are socially constructed gender differences. This is a delicate turning point because there are social characteristics that need to be taken into account without accepting them. For example, erasing the fact that more women work as beauticians than as builders would be a mistake in the research methodology because these social differences in occupations do exist and must be taken into account in the analysis. Their socially constructed gender characteristics do have an impact on their business, i.e. it has an effect on the sector choice. Similarly the fact that mothers tend to spend more time on childcare than fathers and as a consequence, have fewer career opportunities is a gender difference that must be recognised as such, but it does not mean that it has to be taken for granted.

Bradley argues that the claim of the existence of a ‘gendered identity’ (Bradley, 2007) based on sex differences emerged in feminist debates with the appearance of the so-called ‘postmodern approach to gender’ (Bradley, 2007:60).

It is feasible to consider a feminism that recognises the existence of gender differences (socially constructed) but which applies the concept of equality and sameness. This feminism does not have to take gender categories for granted (Ahl, 2006), rather it makes individuals freer in their actions as citizens, workers (including self-employed workers), and members of families. I have, therefore, organized the analysis of the research by considering that individuals are different as a consequence of social constructs (Jackson and Scott, 2002), but also the same and equal, as men and women, in the light

of social justice arguments (Okin, 1991; Nussbaum, 2003).

The concept of social justice solves this problem. First, using the term ‘justice’ recognises the presence of inequality. But at the same time, social justice principles also consider as same and equal the individual for which it discusses this equality/inequality (Okin, 1991; Nussbaum, 2003). The central argument in my thesis is that policy making in the field of economic equality between sexes must be defended on the basis of a principle of justice (it is fair to do so), not because there is an economic need for it.

I also argue that there are two conflicting arguments on gender equality in policies promoting the creation of women’s businesses: a social justice and a utilitarian one. Both talk of gender equality, and both claim aim to increasing equality between men and women. The first argument promotes gender equality by looking at it from a ‘social justice’ starting point (Perriton, 2009) on the grounds that it is ‘right’. The second argues for the inclusion of women in enterprises or the labour market because of economic necessity.

As a sociologist, I find Rawls’ theories on social justice persuasive on this issue in the way it treats inequality among individuals as an unfair social phenomenon. Rawls’ essay ‘Theory of Justice’ (1971, cited in Okin, 1991) argues that equality between people should be because it is a basic principle of modern human civilisation. Rawls has been criticised for not integrating the problem of gender into his argument (Okin, 1991). However, this lack in

his work does not block possibilities for building up a feminist social justice argument such as Nussbaum's theory of 'gender justice' (Nussbaum, 2003, 34).

The utilitarian argument is a disguised gender equality argument, as I will show throughout the whole thesis. It is problematic in three ways. First, it has not been scientifically proved that having more women business owners will enhance economic growth (Ahl, 2006; Nussbaum, 2003). Second, the utilitarian argument usually aims at increasing the inclusion of women in the labour market or in enterprise creation, but not the quality of this inclusion. It creates a problem because, for example, it does not question the gender construct that makes women choose some specific sectors or some business sizes.

The utilitarian argument is also problematic because it speaks of the necessity of one sex in particular in a given field at a given time. This is problematic because that model implies resting upon socially constructed gender differences to function: if there is 'a need for' it means that some characteristics are searched for. It also creates an unclear status between what exactly its incentive for gender equality is, and essentialist gender discourses. It is then expected that the targeted people behave in a certain way, fulfil particular tasks, and have different needs. Chapter 8 will show that this is the case for self-confidence, assertiveness, training, and time flexibility around care work.

Utility aims at equal balance in quantity ('inclusion of women', 'same numbers of men and women'), but not in quality (women keep appearing in micro-businesses, in non-viable business sectors, and there is no equal sharing of care work between genders). This utilitarian argument is problematic because it does not help gender equality, and this thesis shows that it harms it rather than promotes it. The utilitarian argument is traditionally placed under scrutiny by feminist scholars (e.g. Stratigaki, 2004, 2005; Rubery, 2002; Ahl, 2004; Nussbaum, 2003; Perriton, 2009).

It is also argued that utility is 'inadequate to capture the heterogeneity and noncommonsensurability of the diverse aspects of development' and takes the norm as a benchmark (Nussbaum, 2003, 34). Women who are targeted to become micro-business owners are expected to behave in a certain way, a norm of what is expected in gender equality.

Social justice creates equality, while utilitarianism uses it when it is necessary. The social justice argument puts no restriction on time or equality. In contrary to the utilitarian argument, equality – even if only based on a quantitative and inclusive process – is threatened to be stopped as soon as it is perceived as unnecessary. Social justice also considers sexes as the same and therefore, fundamentally equal, while utilitarianism considers them as different, and needs this argumentation of difference to exist.

The social justice argument will be used throughout the whole thesis to de-

find a real gender equality in policy making – and the utilitarian one will be criticised because it is sterile, ephemeral, and is based on a theory of difference, not sameness. The next chapter will explore how EU policy on micro-finance and the promotion of women enterprises present a problem for gender equality when based on the utilitarian argument. Chapter 8 (‘Gendering micro-finance’) will demonstrate in which ways utilitarian arguments – which argue on a need for women into self-employment – unavoidably lead to differentialist (essentialist) discourses on gender and ‘enterprise’.

Chapter 6, 7, and 8 will observe the actual effects of utilitarian discourses on the working lives of the women I have interviewed. It makes it particularly difficult – impossible in some cases – to survive as a self-employed woman (who potentially has typical gender characteristics such as sectors, lack of time, and size). These three chapters will also show that micro-finance employees are split between the EU utility argument which is financing them, and their personal desire for social justice. This leads to the paradoxical outcomes of micro-finance, and explains why it is a particularly complex phenomenon to analyse. The ideologies underpinning micro-finance are conflictual and incompatible with one another.

This first chapter has introduced the basic principles that set up the foundation of this thesis, and has explained the central argument of the thesis. I have argued why the social justice argument largely wins over the utilitarian one in arguing for gender equality. The utilitarian argument borrows the

concept of gender equality but does not make good use of it as a concept and a practice. The social justice argument discusses gender equality as such and uses the concept of recognised socially constructed differences, but also of sameness and equality.

3. MICRO-FINANCE: THE STORY

In this chapter I tell the story of micro-finance from different perspectives. I first gather literature that talks about micro-finance models in different countries several centuries ago (Woolcock, 1999; Maltby and Rutterford, 2006; Kay, 2006*b*). This will show that micro-finance as a process has happened previously. Then, I will present a comparative story of micro-finance that I have written on the basis of interviews conducted with micro-finance employees in the UK and in Belgium. Finally, I will illustrate, with examples, how the European Commission has become an active and optimistic advocate of micro-finance. I will show that the EU targets economically disadvantaged groups and claims, despite a lack of proof, that micro-finance efficiently moves people off welfare, whilst creating social inclusion and economic activity. I will then show that the EU overstates women's suitability for micro-finance and that the arguments used to support the claim are based on doubtful assumptions. Using the social justice feminist perspective, I will demonstrate that the arguments in support of micro-finance as a means to reduce female economic poverty are misleading.

3.1 *History*

Business start-up support is an important topic to consider from the Western European perspective. Whilst in developing countries micro-finance schemes are presented as a way of tackling extreme poverty, in Europe governments are increasingly turning to business start-up support programmes as a means to promote self-employment among the unemployed, and include training, business plan assistance and technical monitoring (Mosley and Steel, 2004; Rogaly et al., 1999; Vigano et al., 2004). The position taken by European governments is therefore, highly influential in the development of micro-finance programmes and their implementation. Political and socio-economic contexts play an important role in the social implications of micro-finance as can be seen in the European Union, where the existence of different types of welfare systems influence the way such initiatives are implemented (Pearson, 2001).

The historical origin of micro-finance for business start-up support in a Western European context is not a new phenomena. Examples of micro-finance systems have been found to occur in Germany at the end of the nineteenth Century: the model of the so called ‘people’s banks’, launched by Schulze-Delitsch and Raiffeisen, were governmental loans which were accredited to households, especially in rural areas, with the aim of enhancing an economy in recession (Woolcock, 1999). This model was adopted and developed in

other national contexts, e.g. in Italy, and in Ireland's rural areas, between 1894 and 1914 (Woolcock, 1999).

Less formal examples from history show that women have not been excluded from crediting processes. Micro-finance used to represent the most common form of crediting for women, generally because of women's activity in the small business sphere. For Maltby and Rutterford (2006), 'women were active from the seventeenth century onwards as commercial traders in their own rights as well as contributing (e.g. as bookkeepers and shop assistants) to the success of family firms' (Maltby and Rutterford, 2006, 135). Widows in particular played a crucial role and were very active as money lenders (Maltby and Rutterford, 2006). And Kay (2006) has studied women investing in small businesses in London in the nineteenth century. So overall, our understanding of the way women have been involved in credit over the centuries has been evolving due to the number of studies looking at self-employment among women, and women's participation in family businesses through history increases (Craig, 2001; Green and Owens, 2003; Lemire, 2001; McCants, 2001; Kay, 2006a).

3.2 *Belgo-British comparison*

In the UK, micro-finance has moved from being an area of great interest to governments in the 1980s (with a lot of incentives and financial support),

towards a situation of gradual desinvestment from the end of the 1990s onwards. In Belgium, micro-finance already existed in the 1980s but on a very minor scale and attracted little support from the State. It also met with strong resistance from trade unions. Today, Belgium has seen an increase in micro-finance support from the government and, together with an over-estimation of the possibilities of micro-finance from the State, it makes their context similar to the one of Britain in the 1980s. The Belgian government is also currently closer to the EU governance regarding this matter, as the European Commission has strongly supported micro-finance for the last 10 years, and has recently implemented a micro-fund and several initiatives to implement it. The EU and Belgium have a model of micro-finance which offers low interest rates to attract people into self-employment, while the UK government has recently stopped financing micro-finance agencies. This has resulted in UK agencies applying higher interest rates.

Micro-finance employees are attracted, as I was, to the optimistic outcomes of micro-finance that appear in the policy making discourse. Micro-finance is promoted as a solution for unemployment, poverty, gender inequalities, and ‘social exclusion’. This results in an idealisation of micro-finance for some employees, and in a lack of reflexivity in the way that micro-finance operates in relation to women.

The actual business support offered by micro-finance agencies in Great Britain and in Belgium are similar, but the peak of enthusiasm for such initiatives

has happened at different times in the two countries: i.e. in the 1980s for the UK, and in the decade since 2000 for Belgium.

In the 1980s, the British government developed micro-businesses incentives (Deakins et al., 2000; Mosley and Steel, 2004), targeting job seekers into self-employment, and later on, encouraging women into self-employment (Wilson et al., 2004; Marlow, 2006*a*; Wheelock and Baines, 1998), with a peak of not-for-profit agencies providing counselling and credits to micro-businesses owners at the end of the 1990s (Wheelock and Baines, 1998). At the time, British politicians saw in micro-enterprise creation incentives a solution to growing issues of unemployment (Wheelock and Baines, 1998). However, the government has recognised some limitations of these initiatives for people with limited personal financial resources (Deakins et al., 2000).

The funding of micro-finance agencies and the number of business start-up support services agencies have been reduced from 3000 to 100 in the UK, and today are centralised by Business Link. This new system has been criticised by business start-up agencies as it gives Business Link a strong decision-making role in the policies of business support in the UK, and has arguably reduced the financing of other business start-up support agencies in the country:

It's getting more difficult, because there is a central government policy. I don't know if you have come across it, called the Busi-

ness Support Simplification Agenda.(...) So there are very specific prescriptive guidance at the moment about how and what the public purse will fund in terms of business support. And it's all to do with government agenda, so there is a lot stuff around export and growth. You ought to have a look on the website about business support agenda. Cause it's fascinating and terrifying at the same time. (Karen)

Following the shortage of financial support some agencies reduced their employee costs, numbers of employees and finance and are advising less micro-businesses. Fiona's disappointment in the decrease of funding for micro-finance also illustrates the change in government funding of micro-finance in the UK:

It's quite hard to win people over, especially you know like governments, they're looking for real economic benefits and they want hard outputs. Like so many jobs created, so many people employed. That type of things. When actually you know when we're chipping away at the very bottom end, we are still having an impact on the economy, because if we can help people to get off benefits, which is everybody's dream. You know our clients come and that's what they want to do is get off benefits. You know we're still helping... we're basically helping the government do their work. We're getting people into self employment, into jobs. So there should be funding available for it, but it is really quite difficult. (Fiona)

As a result of funding cuts, British agencies increased the interest rates on micro-credits. These, including those directed at women, are higher than credits purchased from banks. Banks do not provide micro-funding because

of administrative costs. The value of analysing credits, then following up their repayments, and other administrative costs are higher than what the total amount of interest rates brings back to the bank after the repayment of credits (Arenius and Autio, 2006; Orhan, 2001; Fielden et al., 2006; Carter et al., 2001). This is the rationale of public funding by micro-finance agencies: conventional banking systems, structures, and practices are not cost effective enough in relation to micro-credits. Unlike banks, micro-finance agencies claim to pursue ‘social’ aims that are defined by the agencies themselves as ‘alternative’, not oriented towards ‘financial profits’ but towards a philosophy of expressed ‘altruism’. Agencies also have different criteria for allocating credits, but they have similar functional procedures to analyse and allocate them. This makes it structurally difficult to cover the administrative costs of micro-finance, and so it must be covered in other ways i.e. by European and national funding, and/or in the case of some agencies in the UK, higher interest rates:

The business support and advice helps combat isolation as well and because they’ve got to have a thorough business plan they’ll need to take the loan now. OK our interest rates are higher than the bank, but they’re not so high as to be completely prohibitive and we do fixed payment schedules that they can afford. (Rachel)

E: People who have come here, have they tried to get a credit from the bank before hand?

I: They try, I mean we don't require evidence of this but if they come here we charge more than a bank so there is no reason why they should come here if we charge more than the bank, you know, and we always tell them this and we charge more because we need to cover our cost. We are in a profit making institution and you know that to become sustainable we can't charge like a bank because we do very small loans and the administrative costs are quite high compared to the work that we do. (Thomas)

In Belgium, only one micro-finance initiative emerged in the 1980s, and that was on a very small scale. In 1984, the Belgian Economics Minister, Hansen, created 'The Participation Fund' ('Participaties Fonds'/'Fonds de participation'): a 'subordinated loan' for job seekers, who had the possibility to borrow the total amount of unemployment benefits over a three year period, and use it as a start-up fund (John). John says in the interview that this way of creating enterprise development created 'social dramas'. In the case of bankruptcy, former job seekers had no social security, and more importantly no access to health care, that the legislation on this loan had not planned to cover. According to John, who has worked in the sector since 1986, this initiative was quite unique and rare in Belgium in the 1980's. Micro-finance and enterprise development, as well as self-employed status were demonised, both from cultural ideas about self-employment, and from workers unions, who perceived self-employment as an alienating work option, with poor working conditions and an abandonment from the Welfare State for a group of its citizens. In Belgium, there is a strong association between self-employed status and being independent from the State, and 'giving away' the advantages

associated with waged employment, such as access to health care, pension fund, sick leave and maternity leave.

John perceives the later changes in negative perceptions of self-employed status due to a change in perceptions of individualism among people:

I think mainly it is because there are not enough jobs in waged employment anymore, and because the status as a self-employed person scares [Belgian] people less and less, even though it is not yet totally reassuring. I think the context is getting more and more favourable to individual initiatives, and we push more and more people to... I mean at the level of mentalities, mentalities are evolving in this direction. Becoming self-employed is less and less discouraging. Before, it was extremely discouraging. I remember, 20 years ago, becoming self-employed was exactly the thing NOT to do. It was really this term that would be used in some backgrounds. Among others, the workers unions for example, for which it was out of the question to take any risks, or anything like that. Now, I am not saying that there is a huge enthusiasm for it today, but there is definitely less reluctance against self-employment than before. (John)

The idea of promoting women into entrepreneurial development lags slightly behind general micro-finance initiatives. In the UK this was visible and followed soon after the encouragement of micro-businesses in general (Wilson et al., 2004). In Belgium, after the growing and suddenly exploding enthusiasm for micro-finance (and the funding of agencies), there is now a growing interest in micro-finance programmes for unemployed women in particular.

This tells us that both policy making and financing of micro-finance at attractive rates for unemployed people, and for unemployed women in particular, is a phenomenon that is influenced by some specific ‘economic fashions’. Observing the trends of government incentives suggests that the enthusiasm for micro-finance by incentives such as attractive rates, and attractive conditions for unemployed people will in the future fade away in Belgium as it is now fading away in the UK. Indeed, on a chronological timescale, the UK sits between the US/Canada and Continental Europe regarding issues discussed in micro-business ownership, i.e. gender issues. Academic literature on women’s enterprises started to develop in the mid 1970s in the US, and in the mid 1980s in the UK (Carter et al., 2001). In Continental Europe, there is one study on women’s businesses that was conducted in the mid 1980s (Donckels and Meijer, 1986), but the majority of literature noticeably developed in the 1990s (Ballarini and Keese, 1995; Brinkmann and Otto, 1996), and later (Cornet and Constantinidis, 2003). Analysing the literature (Chapter 3) shows that research follows events, the employment phenomenon and policy creation after they have happened. Observing the time gap between the reemergence of micro-finance in the UK (and its later development for women) and current Belgian and EU micro-finance enthusiasm, I have deduced that a similar time gap in loss of enthusiasm could be experienced to occur on the continent in the future.

Micro-finance texts let it appear that micro-finance at low interest rates will

not be permanent, but will rather be a short-term incentive to attract people into self-employment therefore, making it a popular employment option. From a governmental point of view, this is a short term aim to encourage and promote micro-finance that would not be permanently subsidised. The Micro-Finance Facility text defines an initial budget of 100 million Euros for a four year period to support micro-finance agencies (Commission of the European Communities., 2009*a*).

A withdrawal of state funding has resulted in a myriad of different approaches and ideologies of micro-finance. Some British agencies have been created with the objective of tackling poverty, and gender inequality, but they charge their customers higher interest rates than do banks. In both the UK and Belgium, idealism plays a major role in practices of micro-business support. Some agencies are pragmatic and others are very idealistic and the next chapters will show that these dynamics are not fixed. Agencies practicing business support in a pragmatic way can still have highly ideological components, whilst inversely, agencies created with strong social ideologies have needed to adopt a more pragmatic approach to micro-finance. This has also led them to change their products, their target groups and their geographical areas.

3.3 *The EU micro-finance argument*

The construction of the European Commission was originally created after the Second World War to facilitate the free exchange of carbon and steel: the ‘European Coal and Steel Community’. Originally, the European Union was a purely economic union that was created to facilitate the exchange of goods between countries (Denord and Schwartz, 2009). The political project of the European Union is based on the construction of a European unification for the development of a single market economy within its borders (Denord and Schwartz, 2009; Sapir, 2006). Looking to the past, the role of the EC was primarily to reinforce the economy of members’ countries, with political decisions arguments based on the facilitation of economic exchanges between these countries. Later, human rights issues were added to economic issues, and still later, political agreements; when human rights issues are discussed at the EU level however, they are always discussed in relationship to economic issues: inclusion in the labour market, economic growth standards for the integration of new countries, and entrepreneurial development (Denord and Schwartz, 2009; Stratigaki, 2004, 2005). The social project (i.e. social inclusion or diversity objectives) of the EU was therefore, adapted to suit the development of the EU economy. When assessing the construction of the European Union chronologically, utilitarianism can be seen to precede the social justice argument.

Arguing for social objectives on the grounds of a market and utilitarian perspective is problematic and misleading. For example, when EU texts discuss the ‘social inclusion’ of EU citizens, it actually means ‘labour market integration’ (Levitas, 1996). The same happens for equality and diversity arguments. The term ‘gender equality’ is mistaken for incentives to increase women’s labour force participation without taking gender issues underpinning labour market inequalities into account (Stratigaki, 2005; Bosch et al., 2007).

EU political visions on entrepreneurship assume that entrepreneurial development and growth are, by nature, a good thing (Oughton et al., 2003; Ahl, 2004; Smeaton, 2003). However, the claim is problematic in two ways. First the Lisbon strategy for growth and employment is not peer reviewed (Sapir, 2006) and claims made in micro-finance policy texts are arbitrary and not evidence-based. Second, it has also been argued that ‘productive and economic success is in itself a socially constructed concept’ (Bosch et al., 2007, 254).

3.4 *Which equality?*

More equality between women and men benefits individuals, the economy, and society. We have made real progress under our Roadmap since 2006, but the current economic slowdown creates new challenges for the EU. Gender equality policies are part of

the answer. Now more than ever, we need to make the best use of all our human resources, both women and men.

European Commission President, J. M. Barroso, 2009.

Former European Commission President Barroso speaks of ‘gender equality’ policies but in this chapter I show that the vision of equality offered by the EU does not result in equality of outcomes for women. I argue that the concept of gender equality in EU policies is utilitarian and conducted in a way that serves the market-based economy (Levitas, 1996) on which the European Union is based (Denord and Schwartz, 2009). EU gender equality policies may invite women to take part in the labour market but in a ‘second class’ labour market, which is constituted by flexible forms of work and low wages rather than creating paths into profitable sectors.

The principle of true equality between individuals as defined by a feminist social justice argument is not the justification behind the European Commission’s concept of gender equality (Ahl, 2006). Contrary to what is believed and claimed in policy and agencies’ discourses, the EU version of gender policies is judged on the outcomes of a market-based economy rather than on women’s economic lives.

In order to demonstrate the EU position I examine three of its micro-finance policies: ‘JASMINE’ (2008), ‘JEREMIE’ (2006), and the most recent, the ‘Micro-Finance Facilitation’ (2009). I also analyse additional texts and dis-

courses that were written by policy makers or actors involved in their development (European Commission. Directorate-General of Enterprise and Industry, 2005).

Policies promoting entrepreneurial gender balance are based on incorrect assumptions on the number of women in self-employment and business ownership in the European Union, and on a biased construct of gender equality. I question whether self-employment incentives are helpful in improving the economic conditions of women. At best, entrepreneurial policies leave the gender system exactly as it is, and reproduce it. These policies are driven by economic ideologies that seek economic growth at all costs, and are presented as having beneficial aims for society and individuals. European States' motivations in developing more enterprises and for pushing more women into micro-businesses remain unquestioned (Ahl, 2004).

As a researcher, it is interesting to trace the way equality measures are built up. It is also fascinating to see how the discourse convinces practitioners, policy makers, and academics and evades challenge. From an academic feminist point of view, EU policy discourses on gender equality represent a threat for gender equality: they wear the labels of gender equality whilst not being gender equal (Rubery, 2002; Stratigaki, 2004, 2005).

Similar points about the themes of 'reconciliation' regarding work and family life have been made by Stratigaki (2004). Stratigaki argues that there has

been a ‘cooptation’ of gender equality policies in this field. This has led to a shift from the argument that there should be a more equitable share of domestic work between men and women to a ‘reconciliation’ of work and family life for women only (Stratigaki, 2004). After examining policy texts in the field from between 1974 and 2002, Stratigaki identified a shift from equal rights feminist arguments towards conservative arguments in both the content and aims of these policies. She argues that although the original 1970s term ‘gender equality’ has been kept, its contents have been progressively replaced by discourses which seek to increase women’s employability and labour market inclusion without dismantling traditional gender roles in relation to family care. In this way EU policy masks quite conservative aims under a rhetoric of gender equality.

Cooptation undermines gender equality in two ways. First, transforming the meanings of a concept allows for a gradual and largely unnoticed deterioration of its policy impact on producing gender equality. In the long run, it can potentially even produce a counter-effect and negative impact. Second, cooptation works against mobilization and pressure by interested parties and individuals by using the original as well as the transformed concept as an alibi. It is difficult to mobilize against a claim that appears to be one’s ‘own’ even if it is no longer used to mean what one intended (Stratigaki, 2004, 36).

The misleading approaches on gender equality in the construction of micro-finance and pro-enterprise policies are not isolated in the overall landscape of

EU gender equality policy. On the contrary, the cooptation of equality discourses for essentially economic outcomes is gradually infiltrating the process of policy building in all spheres of policy making of the EU.

Another problematic aspect of EU policy texts is that they are not precisely written. Their content is left vague, and this is done on purpose, so that they can be implemented in several ways if necessary (Stratigaki, 2004). They are not peer-reviewed, and not supported by previous empirically proven and peer-reviewed studies. From a methodological point of view, the quality of the content of micro-finance policies and incentives promoting women into enterprises is poor because they rely on discussion meetings between political people. When it is backed up with research, non-academic and advocacy sources are preferred. An important component of the material used by policy makers to design micro-finance policies is provided by micro-finance agencies themselves (i.e. the European Network for Micro-finance). This non academic research institute on micro-finance – which is partially subsidised by the European Commission – is in favour of micro-finance and its research reflects their point of view.

On the website of the network, one can then see positive messages of micro-finance such as

For Maria, Douglass, Lorraine and Abdelaziz, like for thousands of other microentrepreneurs in Europe, micro-finance allowed them

to improve their living standards and increase their their revenues by creating their job (www.european-microfinance.org).

This shows that research carried out by micro-finance agencies is biased because they also aim at promoting micro-finance. They take for granted that micro-finance automatically brings self-employed workers a viable income – which is not the case, as my thesis has demonstrated.

3.5 *Micro-finance policies: examination*

The initiative that directly relates to micro-finance is ‘JASMINE’ (i.e. the ‘Joint Action to Support Micro-finance Institutions in Europe’), which was created in 2007 (European Commission, 2008*a*, 2007, 2008*b,c*; European Parliament, 2009). Previous to this was ‘JEREMIE’ (i.e. ‘Joint European Resources for Micro to Medium Enterprises’) (European Investment Fund, 2009; European Commission, 2006).

The JASMINE initiative to support micro-finance and the policies that follow the initiative have been made a priority in EU economic development, as this extract shows:

In view of the focus in the Lisbon Strategy improving access to finance, in general, and promoting micro-credit in particular, Member States are encouraged within the context of their National

Reform Programmes under the Lisbon strategy to take on board those actions necessary to promote a more favourable environment for the development of micro-credit which falls within the national institutional, legal and commercial frameworks. (European Commission, 2007, 9)

The EU is not only creating a fund for the development of micro-credits, but is also working on changing regulations and laws regarding micro-businesses, including the employment regulations of workers within those micro-businesses.

In EU texts promoting micro-finance, the focus is placed on increasing economic growth through the development of micro-finance and on ‘further changing the climate in favour of entrepreneurship’ (European Commission, 2007, 8). JASMINE sees the idea of mobility from unemployment to self-employment as desirable, and takes for granted that being self-employed will automatically bring people an income:

In many cases this [micro-finance] is linked to efforts to promote the transition from unemployment into self-employment. As such, micro-credit can play an important role in the realisation of the Lisbon Strategy for growth and jobs and the promotion of social inclusion in accordance with the modern emphasis on ‘flexicurity’ (the combination of flexibility and social security). (European Commission, 2007, 3)

JASMINE also associates self-employment with social inclusion but does not explain why self-employment increases ‘social inclusion’ more than waged

employment. Instead, the term ‘social inclusion’ is used as a synonym for ‘finding a job’, i.e. for being integrated in the labour market (Levitas, 1996), rather than as it is understood in social theory. In order to be ‘socially included’ an individual must be part of a social network or community of people and be able to take part in the different modes of activities which are related to the fact of being ‘included’. Some commentators accept that work can be a factor of social inclusion but not when it creates isolation, for example, as in the case of Bed and Breakfast owners who are tied to their homes and landlines waiting for customers’ phone calls (Oughton et al., 2003). Social inclusion should also be defined by being clear about its opposite: ‘social exclusion’ (Marlow, 2006*a*).

In July 2009, as a response to concerns about the scale of job losses as a result of the financial crisis, The European Commission created an additional micro-finance fund of 100 million Euros. This fund is dedicated to providing credits to unemployed people who have lost their jobs as a result of company restructuring. The proposal for a ‘Decision of the European Parliament and of the Council’, ‘establishing a European Micro-finance Facility for Employment and Social Inclusion (Progress Micro-finance Facility)’ was finalised and made publicly available on the website of the European Commission (Commission of the European Communities., 2009*a*). The text argues for developing micro-entrepreneurship as a way of creating employment:

(...) To offer a new chance to the unemployed and open the road to entrepreneurship for some of Europe's most disadvantaged groups, including the young, the Commission will shortly propose a new EU Micro-Finance Facility for employment, to develop micro-enterprises and the social economy (Commission of the European Communities., 2009b, 5).

The insistence on 'disadvantaged' groups appears several places in the texts in relation to all three policies:

The European Parliament in its resolution of 24 March 2009 requested that the Commission reinforces its efforts to develop micro-credits in support of growth and employment (...). The European Parliament called on the Commission to cofinance projects for micro-credits in particular for disadvantaged target groups. (Commission of the European Communities., 2009b, 5)

In Europe, bankruptcy mainly touches micro and small businesses (Hudson 1986), cited in (Dewaelheyns and VanHulle, 2008). Between 30 and 50 % of this failure rate is due to 'wide economic factors' (Everett at al. 1988), cited in (Dewaelheyns and VanHulle, 2008, 409). The new proposal for the development of micro-finance for unemployed EU workers is worrying in the sense that its method of support for the economic victims of the financial crisis potentially makes them victims for a second time. Facilitating their entry into the micro-business sectors at a time of economic recession increases the risk of bankruptcy for these business ownerships. Low interest rate credits are offered to unemployed people who do not have access to credits from banks.

But after having borrowed money to become self-employed, a number of these low-income micro-business owners may face bankruptcy and find themselves, not only jobless again, but with debt to service. Unemployment rates may therefore decrease as a consequence of this but it places unemployed workers at greater economic risk.

3.6 *Women as a target of micro-finance*

The identification of women as one of the ‘disadvantaged’ groups that need support is clearly presented in JASMINE:

Such loans offer an important means to encourage entrepreneurship through self-employment and micro-enterprises, in particular among women, and minorities. This instrument favours not only competitiveness and entrepreneurship, but also social inclusion. (European Commission, 2007, 3)

And the argument returns in the ‘Micro-Finance Facility’s text as well:

The EMN working paper (...) highlights that the clients targeted by the EU micro-lenders surveyed for this study are, in order of importance, financially excluded individuals followed by women, unemployed persons, ethnic minorities and immigrants. (Commission of the European Communities., 2009b, 8)

In this case, it is also argued that women should be targeted because they represent a minority of borrowers (44%), and also because they are less numerous in micro-finance than in developing countries:

Women are underrepresented amongst micro-loan clients when compared to their proportion in the population and to micro-lending programmes operating in developing countries, where they represent 85.2% of total clients. (Commission of the European Communities., 2009*b*, 8)

These two initiatives and the recent policy aimed at the development and the financing of micro-enterprises have their origins in the European directives for economic growth and employment, as described in the Lisbon Treaty of 2000, and its further agreements in 2005. Policy makers have identified the maximisation of micro-enterprises as a site for economic growth and development, in particular in the service sector.

The focus on the micro-financing of women micro-business ownerships has become increasingly popular, and instrumentalised. The various discourses used to support micro-finance initiatives are presented as a universal goal rather than as arguments based on a sensitive objective rationale. Micro-finance is portrayed variously as a sure way to tackle poverty, to reduce unemployment, and to maximize economic growth through a flexible and low-cost form of employment. The next extract gives an example of the direct association which is made between micro-finance, the encouragement

of entrepreneurship, and the encouragement of women into it.

Such loans [micro-finance] offer an important means to encourage entrepreneurship through self-employment and micro-enterprises, in particular among women, and minorities. This instrument favours not only competitiveness and entrepreneurship, but also social inclusion. (European Commission, 2007)

It is assumed that ‘minorities’ (by minorities the author means ethnic minorities) and ‘women’ are socially excluded and that becoming micro-business owners will favour their inclusion into society, and increase competitiveness. However, no study so far has proved that micro-business development increases social inclusion or increases competitiveness and economic growth.

3.6.1 Women as ‘a different type of entrepreneur’

Micro-finance initiatives and political debates at the European Commission have designated the ‘other’ entrepreneur (e.g. ‘the female’, the ‘ethnic minority’) as an unexplored territory for the maximization of entrepreneurial development:

The conference is part of the implementation of the Entrepreneurship Action Plan which foresees that the Commission will collaborate with Members States in the areas where the needs of women

entrepreneurs are not met, namely access to finance and networking. (European Commission. Directorate-General of Enterprise and Industry, 2005)

Micro-finance and entrepreneurial policy discourses define a hypothetical group of female entrepreneurs. They claim that promoting self-employment reduces unemployment and offers a good alternative to waged employment for women as well as increasing gender equality. They claim that it also offers flexibility at work for parent entrepreneurs.

The discourses at the political decision-making level of the European Union, which are also found in agencies' discourses, are based on contradictory perceptions of a would-be 'female entrepreneur'¹ which is socially constructed on pre-existing gendered structures. This 'female' entrepreneur is actually not an entrepreneur who is 'female', but who is 'feminine'. Let us now see in more detail how policy makers define the rationale to push more micro-entrepreneurial development for women. This is also an important aspect of the discourse on micro-finance.

¹ Whilst policy texts refer to the term 'entrepreneur', micro-finance agencies mostly sell micro-credits to solo traders. In my thesis I therefore refer to these solo traders as micro-business owners, or self-employed workers.

3.7 *‘Europe needs more flexible workers and more enterprises.’*

The pressure for national governments to reform high protection of work contracts and welfare by increasing their ‘flexibilization’ is already present in the Treaty of Maastricht (1996) (Lipietz, 1996). The Lisbon Treaty and the Lisbon Strategy for Growth and Employment centrally focus on increasing the EU’s economic growth, innovation, and increasing workers’ flexibility (Official Journal of the European Commission, 2007).² Micro-finance and equality policies are one of the ramifications of the Lisbon reform. They are thought of as one way to increase economic growth that is, through enterprise creation (even if they are very small) and because self-employment is, by definition, a form of flexible work contract in which workers are subject to potentially exploit themselves (Oughton et al., 2003). A utilitarian argument is used to encourage women into it. On the one hand women are perceived as a non-saturated group of workers entering the labour market who become an exploitable category of workers to be encouraged into self-employment. On the other hand there is the popular belief that women are perceived as being attracted to flexible working hours. In the EU Treaties, flexibilization of work contracts is meant as a ‘Brazilianization’ of work con-

² In spite of not being peer-reviewed (Sapir, 2006), the Lisbon Treaty is an influential text as EU treaties and directives are exerting more and more power on decisions made at national levels, such as on the national reforms on employment (European Commission, 2009).

tracts (with poorer social security and protection) (Lipietz, 1996, 373). The term ‘flexibilization’ is being used in a typically gendered context here, and misunderstood as meaning flexible working arrangements which better suit employees, i.e. employees who need flexible arrangements to take care of young children. Arguments in favour of women’s micro-businesses incentives are strongly influenced by the political agenda of EU governance: the deregulation among companies’ obligations towards their employees, the pressure to increase employment contracts’ flexibility, and the working population, namely women and older workers (Bosch et al., 2007; Lipietz, 1996).

The first justification relies on the assumption that to be economically more efficient, the European Union needs more business ownership (to increase economic growth) and also more flexible, less costly workers. Policy makers naturally see self-employment as an efficient way to reach this goal. Self-employed people are flexible, self-exploitative workers (Wheelock and Baines, 1998), and their work is indeed a cheap form of employment. Self-employed workers cost less to the welfare state than waged employed as their social security costs are low and limited. It also reduces unemployment costs because self-employed people who lose their job e.g. after a bankruptcy, do not have access to unemployment benefits.

Sapir (2006) argues that the EU’s economy performs less well than the US and the rest of the world. Its labour market and employment legislations are based on a secure model of employment – a remainder of the golden

sixties or ‘the ‘trente glorieuses’ (the 30 years between 1945 and 1975 when Europe witnessed an unprecedented period of growth, stability and social cohesion)’ (Sapir, 2006, 372). According to Sapir, current European social and employment policies were written in the 1950s and 1960s. They fit the secure and stable types of enterprises from this golden period, but have not been adapted to fit today’s rapidly changing and globalised economy, which – the author argues – demands flexibility from workers. Sapir (2006) argues that globalisation has forced both a reform of European employment and a bigger shift to more innovative and high technology sectors (Sapir, 2006). Sapir also argues that new EU policies must be created to implement ‘economic and social reforms aimed at greater economic flexibility and better social protection’ (Sapir, 2006, 372).

The argument for promoting micro-business ownerships for women in sectors that do not generate incomes is obviously open to criticism. Self-employment offers a weaker social protection than waged employment (Arum and Muller, 2004). Embarking on self-employment in a sector that provides no or a very low income is not in line with the type of flexibility required by the rapidly changing and globalised high technology and innovation sectors Sapir refers to in his paper.

The reform of employment in the EU to better fit the contemporary characteristics of the market, such as globalisation, leaves others skeptical. The pressure to modify employment models – i.e. increase workers’ flexibility in

reaction to globalisation – as a necessary element of the long term survival of the EU economy also lays on uncertain grounds:

The constraints imposed by globalization can be exaggerated and thereby adduced as justification for transforming national employment models. Particularly if one considers how differently nation states have reacted to the challenges of globalization, a certain degree of skepticism is advisable vis-a-vis those who argue that nation states are becoming increasingly powerless in the face of globalization. We would suggest that they still enjoy some degree of freedom to make choices and deliberate political action. (Bosch et al., 2007, 266)

Self-employment is a more precarious employment option than waged employment (Arum and Muller, 2004; Oughton et al., 2003). By placing the emphasis on growth before the financial security, health and well-being of those who produce it, the way self-employment is encouraged leads it to be a more precarious employment alternative than waged employment.

The European Union pursues a twin track strategy with regards to economic development. On one side, it encourages high technology and the development of large businesses in that sector, and on the other, it promotes the development of micro-businesses, insecure forms of employment and work contract flexibilization as positive economic options. This creates a two speed economy, a polarised labour market. The unfortunate aspect of this economic strategy is that it is also being used as a gender equality strategy. The emphasis on micro-finance as a positive economic option for women pushes them

into difficult and insecure self-employment positions. Women are encouraged into the micro-sector fields of businesses, whilst the gendered policy choices with regards to sectors are left unchallenged. Micro-finance agencies specifically insist on not discussing sector choices with their customers, arguing that sector choices belong to individuals only and that their role is to help them to fulfil their personal dreams. This does not take into consideration that individuals are also socially constructed individuals, and so are their dreams, aspirations, the life projects they choose, and the actions they do to pursue these socially constructed ideals. As socially constructed individuals, their aspirations, and their actions, are also shaped by gendered constructs.

To have an equalising impact on individuals, EU policies should stop facilitating micro-business development for women in the service sector, and re-direct this funding, energy, and policy work at other forms of self-employment in a field of work where there is a real gender imbalance, such as the high technology or construction sector, where it is more attractive and financially advantageous to be self-employed than the waged employed. To have a modification of gender constructs, what needs to take place is not the theoretical reinforcement of the existence of a complementary gendered worker, carer, and individual, but to ease the mobility of individuals within the different spaces that currently exist within society.

The promotion of entrepreneurship is a political discourse that seeks to push women into self-employment without being aware of the consequences of their

policies on the women they target. This second justification, which stems from the first one, is based on a false assumption on the number of women in self-employment and business ownership.

In the two following sections, I detail how micro-finance policies are based on two assumptions which are questionable. The first argues for a ‘lack’ of women in enterprise, which is not really true when these numbers are disaggregated by sectors. The second is based on essentialist assumptions that women entrepreneurs, as women, systematically and uniformly have different characteristics (caring, loving, knowing about people, not competitive, ignorant, under-confident, insecure) from men. This is then translated into needs which are different from men’s.

In the policy discourse, the difficulties or inabilities to earn a wage out of self-employment in low-profit making sectors is totally absent. Policy texts are silent on the issues of income, and focus on micro-finance almost exclusively in terms of ‘promoting the transition from unemployment to self-employment’, and ‘playing an important role for the Lisbon strategy of growth and jobs and social inclusion’ (European Commission, 2007, 3). ‘The expected impact of implementing the initiative would initially be an increase in entrepreneurship and job creation with direct and indirect effects on growth’ (European Commission, 2007, 3).

3.8 *'Lack of women in business ownership'*

The second justification for the push for women to be self-employed is the current perception of the low number of women in self-employment and business ownerships in the EU: that is, 66% of self-employed workers and business owners in the European Union are male. The percentage of female self-employed workers and business owners, an overall total of 33%, seemingly points to a 'lack' in women's development of businesses and self-employment in the EU. This is true, on average, but when disaggregated by sectors, the gender inequality picture takes on a different colour and shape, and the argument that men represent the majority of self-employed workers is only valid in some sectors.

As I will show in the literature review, statistical data on self-employment disaggregated by gender are problematic in themselves. They are not systematically collected by gender, and they only take into consideration registered self-employed workers (Apitzsch and Kontos, 2003; Carter et al., 2001; Fielden et al., 2006; Forsyth, 2000; Harding, 2000; Marlow, 2003; Orhan, 2001; Oughton et al., 2003; Smeaton, 2003; Underwood, 2006; Wilson et al., 2004). This means that self-employed workers with very low or no incomes, and invisible co-entrepreneurs, are not counted into this data (Fielden et al., 2006). This also means that there is a number of (unregistered and invisible) informal self-employed workers, which remains unexamined and undefined,

and that it is likely that the proportion of women in these figures is high.

I will leave this problem on the side for now and assume, as does the EC, that statistical data on gender and self-employment are correctly collected and are reliable. In this case, it is true that female self-employed workers are, on average, less numerous than male ones, and that the proportion is 66%-33%. But this takes into account all sectors together. As will be explained in Chapter 8, this also includes the construction and manufacturing sectors. The construction sector alone includes a large fraction of the total number of self-employed workers, of which 95% are male. For that reason, using the general average of self-employed workers, to base and justify an economic policy, is statistically weak from a methodological point of view. If we take the biasing numbers out of the general mean of self-employed workers, sex differences are not so significant. The assumption that there is a 'lack' of female self-employed workers and business owners is incorrect, because it is not calculated by taking all parameters into account.

In addition to that, the sectors promoted by micro-finance initiatives, such as JASMINE and JEREMIE, and as outlined in the Lisbon strategy, are the service sectors (European Commission, 2008*b*). Why is this so? Because, indeed, European economies are increasingly based on services, but also because the service sector is cheaper to finance than the construction or high technology sectors, for example. This is precisely the service sector that the EU targets with its micro-finance schemes. However, pushing women into

self-employment in the service sector is not logical from a gender equality point of view. It does nothing for gender equality, but on the contrary, it reinforces inequalities, and supports existing gender constructs.

There is an intention to change the number of women in enterprises. Even if the identification of a lack is miscalculated, and gives negative outcomes for self-employed women, it still shows the presence of an outspoken intention to 'equal' something. Why is it that these intentions are present at some levels (numbers of women into enterprises), but not at others (sector choices)? What impedes this site from being changed, altered, modified, challenged? How do these processes take place?

Needing women to boost entrepreneurial growth and develop the economy should not be confused with gender equality discourses. Unavoidably it also forces us to ask the question: 'What if this does not change anything in respect of entrepreneurial development?' Using such discourses in gender and diversity management can therefore, be dangerous for gender equality, rather than enhancing it. Should women be excluded from these spheres ('sciences', 'enterprises', 'ICT'), if increasing their numbers into these does not alter economic growth?

In an introductory discourse to a Forum on Female Entrepreneurship at the European Commission, one can find discourses such as:

The importance that entrepreneurship plays in the evolution of our societies is increasingly recognised by both citizens and administrations. It contributes to growth, job creation, innovation, sustainable development, the creation of skills and services and of course regional and social cohesion. But we must never forget that entrepreneurship is also about people. Women especially know this very well. (Liikanen, 2003)

Our society needs more enterprises. We also need more growing enterprises. And we definitely need more women entrepreneurs. We know now that women, in general, create smaller but relatively more viable enterprises. The European Commission is determined to promote female entrepreneurship in Europe. We want to support women who wish to become entrepreneurs to exploit their potential. We want to encourage women entrepreneurs to expand their enterprises. (Liikanen, 2003)

This discourse reflects the existing paradoxes which are present at the three levels of micro-finance: the need for more enterprises, the need for women to take part in the European economic project, and the exploration of one's potential and creativity. In this case, another feminine trait is suggested that 'women know about people'. At the same time, introducing the discourse by saying 'Ladies and gentlemen', and then discussing women as if they were external to the exposed situation is also one more sign of the discourse of the female micro-business owner as 'other' (Ahl, 2004, 2006; Nilsson, 1997).

It is no surprise that these discourses have a place in the push for economic growth. In theory, gender mainstreaming has been placed as an integrative

part of any structure of the European Commission. As gender and diversity management policies, gender mainstreaming is rooted in a similar discourse:

The growing attention being paid to gender equality is reflected in the fact that equal opportunities is one of the four pillars of the Member States' Employment Action Plans, designed to enhance the economic competitiveness of the EU and combat social exclusion'. (European Commission, 2000, 2)

Gender mainstreaming policies take their foundations from utilitarian explanations of economic growth. In this case, women are portrayed as 'different but valuable' (Anderson and Jack, 2002), and the same argument is used in mainstream policy, at any level of the European Union. The critique of gender and diversity management is then linked to this effort of integrating gender into all structural aspects of the European Commission, but finally without solving the gender problem, or without moving away from traditionally constructed visions of gender dichotomies. The androcentric version of contemporary gender and diversity management policies, even though they are based on 'good intentions' of gender equality, remain problematic because they use difference as a utility, and the discourse uses this as a way to help something already established, as a space which women are allowed to enter when they are invited to do so. Kvande (2002) argues that the origin of the problem is the maintenance of views on different gender characteristics:

Women are regarded either as an unused resource because they lack the proper qualities for management, or they are seen as a different resource which can be used in particular situations. In both cases women are defined in relation to men, that they are equal but lack certain qualities, or are different in a special way. (Anderson and Jack, 2002, 39)

In any case, discourses on gender and diversity management talk from one particular point of view, which is not linked to the presence of gendered individuals within discursive spaces, but which is linked to the fact that these (discursive) spaces have been labeled as one feminine and one masculine way of working, of doing enterprise. Using this perspective allows better understanding of why these discourses on gender and diversity management remain strongly fixed and are currently used within the discourses of the European Commission.

‘Gender equality’ policies are constructed on economic ideologies of a market based economy, rather than on an independent rationale for working on equality between individuals as a basic humanistic principle. They are not ‘equaling’ policies, but, as shown throughout the whole chapter, they are policies which are based on a principle of difference and complementarity between individuals, whether these individuals are gendered, classed, or raced. In the case of micro-finance and micro-entrepreneurial development policies, the differences are claimed to be useful for a given aim. In this case, I see nothing else other than their being useful to the aim of developing a more market based economy, and for the need to insert other individuals into it.

That is, those who buy and repay credits, and self-exploit themselves at work, while at the same time keep ensuring the continuation of unpaid domestic and care work, and who are also contributing to the GNP of European States (Delphy, 1984).

It is hard to fully understand the EU argument of why women have to be pushed into the identified sectors of the economy, or why they should be pushed now more than in the past. The policies do not say why that should be so. However the hidden and silent political agenda of gender equality in the EU seems to be mainly about including women into the labour market, preferably by integrating them into the ‘secondary’ labour market (with low-paid jobs, flexible workers, part-timers, etc) (Stratigaki, 2005, 45). This actually keeps tradition well in place. The European Commission also explicitly portrays categorical objectives of lower-cost, effective, and more flexible workers, and this is repeatedly visible all the way through the JASMINE Initiative and in the new proposal of the ‘Micro-Finance Facility’. In that way as well, the EU gender equality agenda in the field of micro-finance serves well outspoken aims of flexible and cheap employment. Setting up actions and policies to attract female workers into the secondary labour market and into flexible and low-cost employment forms maintains a traditional gender system in which women’s incomes, across occupational sectors, remain lower than those of male workers.

In Chapter 6 we will see that women are not discouraged by micro-finance

agencies to enter traditionally feminine sectors that will bring them low or very low incomes. I will conclude that the very low incomes of these supported self-employed women is a symptom of the combination of micro-finance plus their social gender. Women are more subject to enter self-employment for self-fulfilment because there is less social pressure on them to take on a breadwinner role, a phenomena typically associated with 'familialist' welfare systems (Bosch et al., 2007, 59). Gender associated with micro-finance is therefore, reinforcing the risk of having a low income for women more than it is for men. The EU shows intentions to increase the number of women into enterprises, but it does so without putting into question traditional gender roles to which men and women as workers, family members or entrepreneurs are still attached. The EU gender equality policy is traditionally gendered and aims at increasing the quantity of women in business ownerships although not the quality of the type of work it offers them. These policies are clearly utilitarian. It is because the EU has perceived a need for a gap that policies for the increase of women in some sectors are being created. The political agenda of the European governance includes a deregulation of companies, the pressure to increase employment contracts' flexibility and an increasing of the working population, namely women and older workers (Bosch et al., 2007). Incentives to encourage women into micro-businesses are dictated by the EU's political and economic agenda and lack the feminist social justice argument that defines the concept of 'gender equality'.

This chapter has presented a historical perspective of micro-finance and my understanding of how it has been implemented in the UK and in Belgium on the basis of interviews with employees' agencies. I have also shown how its development is based on optimistic predictions and that there is little data to prove that micro-finance has positive economic outcomes for women. The major problem of political texts deciding on employment reforms – of which the encouragement of micro-finance is one aspect – is that they are not peer-reviewed (Stratigaki, 2004; Sapir, 2006), and are not based on empirical and scientific provable data.

4. LITERATURE REVIEW

This chapter reviews and analyses existing literature on European micro-finance and business start-up support and identifies the gaps that led to the establishment of the thesis' research questions. Research to date finds that there are still major barriers to female entrepreneurship, both from banks and from business start-up support agencies, and that these barriers are due to cultural and structural causes linked to the division of labour, both in the public sphere of business and in the private sphere of the household.

The subject of women and business start-up support programmes and policies in Western Europe remains under-investigated by academics (Carter et al., 2001; Hughes, 2003; Orhan, 2001). Although micro-finance in developing countries has been reviewed several times – see for example (Khandker Shahidur, 1998) – only one literature review (Carter et al., 2001) has looked at the issue in the United Kingdom and there has, to date, been no academic examination of the literature covering women and business start-up support across Western Europe. This is due in part to the fact that much of the literature is relatively recent as has been the growth in sup-

port agencies and government interest, most of which has happened in the period since 2000. The lack of cumulative knowledge of the literature on women's entrepreneurship has been identified as one cause of the weakness of the research field (Carter et al., 2001).

Mapping the literature is important in situating the foundations and future prospects of business start-up support in the UK and Belgium and the role of gender within this area. This chapter explores the business start-up literature and highlights contradictions in the way it covers the assessment of social inclusion, the impact of gender and in the way current approaches of governmental policies in entrepreneurship are presented. European micro-finance is a research area that is well documented by practitioners literature so I have also included a few non academic papers. I will first review the non-academic literature and select that which is of interest within the scope of my study and then review the academic literature. The third section will present the findings of the literature review. Finally, I will discuss the implications of such findings and why we should be concerned about self-employment policies in current Europe.

Women currently represent the majority of micro-lenders' clients across the world, whether it is in the developing countries or in Europe. Taking the figures for 2002, in developing countries, women represented 84% of the borrowers, either through 'institutional credit' (Woolcock, 1999, 18) or through the credit system of peer lending, 67% of micro-loan clients in Eastern European

countries and a sizeable minority (35%) in Western Europe (Underwood, 2006).

However, it is difficult to argue – as Western governments are apt to do – that entrepreneurship financed via such schemes is a means by which women in the EU can move out of an economically marginalised position. Women entrepreneurs are overwhelmingly micro-business owners, in low profit-making economic sectors, such as the retail and service sectors (Carter et al., 2001). These micro-businesses, which are not large enough to support employees, tend to remain small, because possibilities for business growth in these sectors of the economy are limited (Orhan, 2001, 95). Yet the number of micro and small businesses has been increasing during the last 20 years and the number of self-employed people has doubled (Fielden et al., 2006, 26). Of all the women who make use of business start-up support in order to create businesses, 87% become micro-business owners and they are also over-represented in the service sector (Underwood, 2006, 5). Yet, few business start-up support agencies acknowledge gender issues directly or, if they do so, it is in a contradictory way. For example, a survey conducted by the European Network of Microfinance (ENM) shows that most micro-lenders did not believe that their programmes were hindering women’s access to micro-credit, but the same survey reveals that 69% of micro-lenders thought that special measures should be implemented to enhance and facilitate women’s participation in the programmes (Underwood, 2006).

A similar contradiction exists around the issue of training. As noted previously, business start-up support programmes for women in the EU have focused on offering training, monitoring and support. Some argue that women are disadvantaged by a lack of appropriate training in business planning and management (Orhan, 2001) while others argue that most women entrepreneurs are more qualified than their male counterparts (Cowling and Taylor, 2001). In my last chapter I will show that the assumption that women need training and mentoring rather than more financial support to succeed in entrepreneurship is a result of the presence of gender myths, typical of wider gendered assumptions in the field.¹

4.0.1 *Academic versus agency literature*

Two general approaches can be observed in the literature on women and business start-up in Western Europe. The first one, non-academic advocacy, is found among agencies which offer small business support services to people who wish to become self-employed. The second is an academic approach that analyses business support programmes and policies, female entrepreneurship and the relationships between social inclusion, social ex-

¹ The findings of my thesis confirm this hypothesis. 17 of the 20 women interviewed have higher education degrees and nothing so far has shown that they need more business training than male micro-borrowers. Women are perceived as caring, loving, and ignorant entrepreneurs, who need to be 'taught'. As we will see later, this symbolic image of women as unconfident and ignorant entrepreneurial image is conducted in the policy making and advocacy discourse when they think of women but does not find a place in the experience and accounts of the women I have interviewed.

clusion, and self-employment. The non-academic literature usually refers to ‘micro-finance programmes’, whilst academic literature refers to ‘business start-up support’. The boundaries between these two sources of literature are not entirely clear-cut or fixed as, at times, there are cross-overs of concern and areas of exchange. For example, academic researchers such as Carter or Pearson are involved in the authorship of non academic literature. However, there are noticeable patterns which belong to one side or the other and disparities concerning the aims, results, tools and dissemination of such studies.

Non-academic, also called ‘internet’, ‘popular’ literature (Carter et al., 2001), is a more accessible literature. It is freely disseminated on the internet within a few months of its completion, and is more quickly available than published academic literature, which goes through the process of peer reviewing, and which, once published, is accessible by subscription to a journal. This is not without consequences. Agency-sponsored internet literature has the advantage of being easily and rapidly available, and constitutes a ready source of information and data on micro-finance in European countries. On the other hand, it also presents the disadvantages of being undertaken under theoretical assumptions which may be biased by an idealisation of micro-finance. The aim of agencies is to promote the creation of self-employment by providing loans to business start-ups. One must bear in mind that this positive and highly idealised vision of micro-finance is likely to influence the

research, although women's business support agencies are usually critical of promoting self-employment for women, especially when they have dependent children. Most advocacy reports are therefore, driven by the belief that business start-up support and promoting self-employment present positive outcomes for social inclusion, for example, through job creation (Vigano et al., 2004). Advocacy literature raises some issues regarding the impartiality of the research. This is of particular concern when we consider that policies at governmental levels are created on the basis of these reports rather than on academic research. The internet studies, which presented fewer implications for partiality issues were included in the literature review.

The following table gives a summary of the issues and themes that were identified in the selected literature.

Themes	Subthemes	Articles
Available data	Lack of disaggregated data by gender Lack of data on numbers of micro-businesses Lack of data on access to credit from banks - - - -	Apitzsch and Kontos (2003) Carter et al. (2001); Fielden et al. (2006) Forsyth (2000); Harding (2000) Marlow (2003); Orhan (2001) Oughton et al. (2003) Smeaton (2003); Underwood (2006) Wilson et al. (2004)
Finances Start-up capital	Gender discrimination from banks in access to start-up capital Collateral, guarantees previous employment and savings Business size, growth, performance Motivation for entering self-employment Self-employment as a means to gain financial independence Risk aversion Advice, training, mentoring	Apitzsch and Kontos (2003) Carter et al. (2001) Fielden et al. (2006) Forsyth (2000); Underwood (2006) Orhan (2001) Oughton et al. (2003) Smeaton (2003) Wilson et al. (2004)
Social networks Family Life in the household	Domestic and care work Belief in trading as flexible for childcare Support from relatives Fear to jeopardise family financial security Networks Part-time business ownership -	Apitzsch and Kontos (2003) Carter et al. (2001); Fielden et al. (2006) Forsyth (2000); Marlow (2003); Marlow (2006-a) Harding (2000); Oughton et al. (2003) Pearson and Watson (1997); Pearson (2002); Smeaton (2003) Rouse and Kirching (2006) Underwood (2006); Wilson et al. (2004)
Governmental policies	Governmental self-employment incentives Welfare policies Perspectives on social inclusion Support programmes' sustainability - - - -	Apitzsch and Kontos (2003) Carter et al. (2001); Evers et al. (2007) Fielden et al. (2006); Forsyth (2000) Harding (2000); Marlow (2003); Marlow (2006-a) Mosley and Steel (2004); Orhan (2001) Oughton et al. (2003); Pearson (2002) Pearson and Watson (1997); Smeaton (2003) Underwood (2006); Wilson et al. (2004)

Tab. 4.1: Themes and subthemes of the review

The analysis of the 19 articles reveals that the research on gender and business start-up support (programmes and policies) contains several contradictions, at different levels. First, despite the claim from governments and researchers that there is a lack of disaggregated data by gender, there are presently no governmental measures that demand more data collection by gender on access to credit or on the number of micro-businesses. Second, if the creation of business start-up support agencies aims to increase access to credit for disadvantaged people, the literature review shows that low-income women are even more disadvantaged in self-employment. Next, although governments insist on promoting women's entry into micro-businesses, they do not deal with the question of domestic and familial tasks, still mainly done by the female members of the family, which is still considered as a non-relevant workload. As will be shown in this review, this role within the household is highly difficult if not impossible to 'conciliate' with an efficient start-up phase of a business. Last, the question as to whether becoming self-employed enhances social inclusion remains unsolved as not everyone agrees on the definition of 'social inclusion'. In the following, I will then discuss both the contradictions that appear within the field of business start-up support in a European context of welfare, employment, and self-employment; and the fact that there are unsolved questions resulting from the way in which policies are created and implemented in these contexts. These ambiguous results constitute a problematic approach to current research on gender and business start-up support. There are several reasons for this, which I will

first describe and then cover in more detail.

4.0.2 Lack of reliable disaggregated data by gender

As most studies stress, the research in the field is weakened by a lack of disaggregated statistics by gender, on the exact number of self-employed women and, for start-up capital, on data by gender from banks (Orhan, 2001; Forsyth, 2000; Fielden et al., 2006; Underwood, 2006; Wilson et al., 2004; Carter et al., 2001). European countries other than the UK also do not provide such statistics – see, for example, the case of France (Orhan, 2001). This gives rise to unreliable use of statistical data, and jeopardizes evidence-based theoretical assumptions which often constitute the starting point of numerous studies in the field. Wilson, Whittam, and Deakins (2004) also stress that governmental policies aimed at promoting female business ownership by developing business start-up support initiatives also base their initial project’s assumptions on these unreliable statistical sources. Moreover, if numbers on female self-employment in Western Europe are missing or not accurate, the numbers on female ethnic minority businesses are even scarcer (Fielden et al., 2006).

In the field of micro-finance, the numbers concerning women applying for (governmental or other) business start-up agency grants, female participation in their programmes, and their business performance, remain unknown

(Underwood, 2006). In order to be able to assess the use, efficiency and impact of such programmes, researchers need to have access to exact statistical data, disaggregated by gender, on programmes' participants and their businesses, including their personal incomes.

4.0.3 Familial and domestic work, including childcare

Feminist materialist theories see the family as an economic unit (Delphy, 1984; Delphy and Leonard, 1992) and analyse gender relations in terms of the materiality of life (work, labour, production, consumption, exchange, family members' material interests, and the family as an economic entity). This helps us to understand the relationship between business start-up creation and the division of labour, and its impact on small businesses for women. Materialist feminism 'sees production of material life as of primary importance in determining the structure of a society as fundamentally related to the appropriation of labour' (Delphy and Leonard, 1992, 29). Observing the domestic and familial workload of micro-business owners and the help they receive from their relatives is of primary importance in analysing gender and business start-up because it determines the time available for work. Helpers in business play a central role which is neglected by policy makers and business start-up support agencies.

13 of the 19 studies reveal that childcare is a major obstacle to both busi-

ness start-up and business performance (Rouse and Kitching, 2006; Forsyth, 2000; Fielden et al., 2006; Underwood, 2006; Pearson and Watson, 1997; Pearson, 2001; Harding, 2000; Marlow, 2003; Wilson et al., 2004; Smeaton, 2003; Apitzsch and Kontos, 2003; Oughton et al., 2003; Carter et al., 2001). Findings show that childcare responsibilities are still for the most part shouldered by women and that in terms of business support from the family, fathers in business are more likely to rely on a partner for childcare than mothers in business (Rouse and Kitching, 2006; Fielden et al., 2006; Oughton et al., 2003). Many women start a business with the belief that self-employment allows more flexibility for childcare (Rouse and Kitching, 2006; Pearson and Watson, 1997; Harding, 2000; Marlow, 2003; Smeaton, 2003; Marlow, 2006a). Yet the research shows that this belief is a negative factor for start-up creation because it reduces both business performance and growth, and is an important cause of business failure. Moreover, some findings show that it increases risks for the dependents, as children in micro-businesses are more likely to be left unattended (Rouse and Kitching, 2006, 14).

Notable amongst the studies that highlight the issue of childcare is Underwood's research (2006). Her quantitative study sets out to identify how many women receive start-up loans in Western Europe. The study also aims to identify barriers to women's access to mainstream micro-lending agencies, and asks whether the design and implementation of micro-lending programmes are meeting women's specific needs. It aims to contribute to the de-

bate on how gender-based differences in micro-lending and entrepreneurship rates can be addressed (Underwood, 2006). The study reveals that there is a lack of gender mainstreaming among business start-up support services, and that there are major contradictions between micro-lenders' perspectives and practices on women and self-employment. Moreover, the author claims that business start-up support agencies lack women in their senior management positions: on average, women constitute 4% of these positions in European agencies (Underwood, 2006).

Underwood shows that 59% of the micro-lenders interviewed believe that childcare is the greatest barrier to women's access to entrepreneurship. However, the issue of childcare remains invisible in business start-up programmes' design and implementation (Forsyth, 2000; Underwood, 2006; Pearson and Watson, 1997; Harding, 2000; Marlow, 2003, 2006*a*). Underwood's study on European micro-lenders also unveils contradictions between practitioners' perspectives and their practices. It reveals that when asked what should first be done to improve women's access to business start-up programmes, most micro-lenders answer that training and business support are the most important measures to implement (Underwood, 2006, 12-16), although most of them had earlier claimed that childcare was the biggest barrier to female access to their programmes.

Rouse and Kitching also argue in their research that childcare costs are not included in business plans, both because they are perceived as a purely pri-

vate matter and because higher positioned staff (the decision makers) in business support agencies are mainly males in their mid forties for whom childcare has not constituted an obstacle to their career (Rouse and Kitching, 2006). Rouse and Kitching's analysis of the 'enterprise programme', a British national initiative, 'government funded, providing finance and support to help unemployed young people aged 18-30 years to start a business' highlights the paradoxes of childcare costs in business start-up support agencies (Rouse and Kitching, 2006, 10). The authors explain that, for fear of not getting the funding, some applicants in the programme hid their childcare costs from their business planning, and that, for example, one of them even 'concealed her pregnancy from the selection panel' (Rouse and Kitching, 2006, 10). Rouse and Kitching also explain that only one applicant 'did include childcare costs in the personal budget section of her business plan' and that it prompted negative reactions from the decision-making panel against this idea (Rouse and Kitching, 2006, 10).

The analysis of the issue of childcare reveals that this barrier is not the single element of the link between life in the household and women's access to entrepreneurship. Rather, it is part of a social process in which the public sphere of work and business remains separated from the private sphere of the household, and in which the latter remains invisible to the practices of the former. One answer to this discrepancy might therefore be to render visible the inter-dependency between the private and the public spheres. Further

research is required to investigate the construction of the phenomenon, which obviously is not only common to the field of gender and entrepreneurship, but which is also found in the broader spheres of work and politics.

4.0.4 *Access to credit*

Another problematic issue in the field of business start-up support programmes in Western Europe is the unclear relationship between women's access to credit and the aims of business start-up support agencies. Looking back at the reasons why current Western governments encourage the development of business start-up support agencies, we see that one main reason for which they are created is to facilitate entrepreneurship among groups of the population that are disadvantaged in obtaining credit from the traditional banking system. Many studies show that, in their access to credit, women are one of these disadvantaged target groups (Orhan, 2001; Forsyth, 2000; Fielden et al., 2006; Underwood, 2006; Carter et al., 2001; Cosh and Hughes, 2000; Fletcher, 1994; Eurochambers Women Networks, 2004). This cultural barrier to access to credit, which is not easily quantifiable due to the lack of data disaggregated by gender is illustrated by numerous examples within the literature on women and access to credit. For example, in Fielden, Dawe and Woolnough's study, most of the women interviewed said that governmental business start-up support agencies were their only solution to access start-up capital. 87% of the women interviewed in this same study also felt

that starting up a small or micro-business was the only possibility that was left to them in order to get access to a ‘viable’ source of economic activity (Fielden et al., 2006).

The causes found to explain women’s lack of access to credit range from structural causes (e.g. banks’ eligibility criteria), also called indirect gender effects, to cultural causes (e.g. gender stereotypes), also called direct gender effects. Banks do not like small credits and, on average, women apply for smaller credits than men (Orhan, 2001; Fielden et al., 2006; Carter et al., 2001). That might be because they are more cautious about the risk of debts and about the risk of jeopardising their dependents’ financial stability (Orhan, 2001; Underwood, 2006; Wilson et al., 2004; Oughton et al., 2003; Pearson and Watson, 1997). Another reason is because women mainly start-up businesses in the retail or service sector, for which the start-up capital is smaller. Findings also show that these types of businesses in general make lower financial profits, which makes them less attractive to banks. However, even when making lower profits with their businesses, women show a repayment rate equal or superior to men (Fielden et al., 2006; Underwood, 2006). Due to lower income in previous employment, women also tend to have fewer savings than men, and lack collateral, which also makes the funding of their businesses less attractive to bankers (Orhan, 2001; Fielden et al., 2006; Carter et al., 2001).

Many researchers have investigated the role of the so-called ‘good old fash-

ioned discrimination' from bankers, and show that gender stereotypes still affect women's success in obtaining credit (Orhan, 2001; Fielden et al., 2006; Carter et al., 2001; Forsyth, 2000; Underwood, 2006; Carter et al., 2001). Bankers associate financial capital with the male, the husband, and as a consequence ticking the box 'female' on bank application forms obviously renders access to financial capital more difficult. In their study on women business owners and their access to start-up capital, Fielden et al. (2006) relate the story of two experienced nurses who wanted to buy the nursery in which they had been working for a certain period of time. The bankers refused to give them a credit of 100k, and suggested that they should come back with their husbands (Fielden et al., 2006, 32).

Findings also demonstrate that self-employed women from ethnic minority backgrounds are subject to double discrimination, gender and race, in accessing start-up capital (Fielden et al., 2006; Wilson et al., 2004; Apitzsch and Kontos, 2003).

In theory, it seems that one of the objectives of business start-up support agencies is to provide alternatives, and to counterbalance the barriers faced by entrepreneurs from disadvantaged groups. However, looking at practices in business start-up programmes, findings show that, as banks do, the practices of governmental business agencies also unwittingly discriminate on the basis of gender, limiting women's access to start-up capital (Forsyth, 2000; Underwood, 2006; Pearson and Watson, 1997; Harding, 2000; Marlow, 2003;

Wilson et al., 2004). Findings from these studies show that the discrimination practised in business start-up agencies seems to be linked to ‘structural causes’. Nevertheless, up to now, there has been no in-depth investigation analysing ‘cultural’ factors of gender discrimination in business start-up support agencies, such as the syndrome of ‘good old fashioned discrimination’ (Fielden et al., 2006; Wilson et al., 2004). Structural causes unveiled in the studies are mainly related to eligibility criteria regarding the type of business; the time invested in the business (full-time); and neglecting the impact and costs of childcare responsibilities (Fielden et al., 2006; Pearson and Watson, 1997; Harding, 2000; Marlow, 2003). Most of the studies discuss the unintentional character of these ‘structural causes’. They suggest that they are based on ‘male models’ of doing entrepreneurship in which women do not necessarily enter (Fielden et al., 2006, 33-34). The conclusion is therefore that there is a latent contradiction between the concept of reinforcing business start-up support (policies) and the way business start-up support is implemented by agencies (practices).

However, Arenius and Autio (2006) have developed arguments that contradict most of the literature on gender and capital in small businesses. This study statistically analyses a sample of 72 women business owners and 68 men business owners, from the same sector (the services sector, a sector in which the researchers were more likely to find a high number of women business owners). The sample only includes businesses more than three years old,

as the authors did not aim to analyse businesses in the start-up phase. This study is also interesting because it looks at the direct and indirect effects of gender on business financing (Arenius and Autio, 2006), as conceptualised by Verheul (2005). The authors' findings are that there is no gender discrimination in the financing of small businesses in Finland, and that the only difference in women and men small business owners is that women tend to borrow more from relatives than men. The study also highlights differences regarding education: in the sample, women business owners are more educated than male business owners (Arenius and Autio, 2006).

Direct gender effects refer to direct factors that have an effect on women's experiences of entrepreneurship (such as the effect of culture: e.g. bankers' prejudices against women and money). Indirect gender effects result from characteristics that are linked to gender, such as structural factors (e.g. the fact that micro-credits do not generate a lot of interest makes them less attractive for bankers, the choice of sectors, or preconceptions about home-based businesses). In this case, gender is an indirect effect of this factor, as more women tend to ask for smaller credits, to start up smaller businesses. The gender effect is not because they are women, but because women are more present in these types of businesses. In other words, a man wishing to obtain a micro-credit in the service sector will also face the non-attractiveness of micro-credits for bankers.

Another example of an indirect gender effect is home-based businesses. Home-

based businesses have more difficulties in accessing finance than businesses that are run outside the house (Arenius and Autio, 2006, 96). Businesses operated from home tend to be associated with a ‘hobby’ business or tend to be perceived as a business which is extending the business owner’s ‘gendered role as home maker’ (Loscocco and Smith-Hunter, 2004, in Arenius and Autio, 2006: 97). The study therefore suggests that the credit access of home-based businesses is an indirect gender effect of the lack of access to credit. It is not because the borrowers are women, but because women are more numerous among borrowers for home-based businesses. The barriers of access to credit are not linked to gender, but to the close association of their business with their private home.

Arenius and Autio’s study (2006) is looking at gender and capital in one and the same sector: the service sector. The authors chose this sector very specifically because they wanted to take up a sector in which women-owned businesses are common. In this regard, the study is unique, as it is looking at the financing of female and male business ownership in the same type of sector, and we know that the sector is a factor influencing access to credit from banks or agencies (Fielden et al., 2006), business success and performance (Carter et al., 2001).

This article is interesting as it looks at similar sectors, gives clear definitions, and analyses its data by looking at direct and indirect gender effects, which also clarifies the research field. It contributes to the identification of direct

and indirect gender effects, an essential component in establishing the causes of gender differences between individuals. The study is then a useful starting point to investigate why women business owners tend to borrow more from their relatives and why they are more educated than their male counterparts.

4.0.5 *Social inclusion*

The issue of social inclusion shows the most frequent contradictory findings in the literature. Mosley and Steel's study (2004) on micro-finance institutions suggests that business start-up support for male and female unemployed people reduces poverty and unemployment and is considered to be a positive factor of social inclusion. This empirical, mainly quantitative, study examines the social and economic impact of three micro-finance institutions in Glasgow, Sheffield and Belfast. It asks whether micro-finance programmes can reduce the cost of social protection, focusing on 'three criteria of impact: assets and income, labour market impacts, and measures of community or social capital' (Mosley and Steel, 2004, 725). The answer to this question seems to be yes, as their results show that out of the sample of 45 interviewees, the taking out of a loan gave 31 of them an exit from unemployment. The authors also calculated the equivalent of this exit from unemployment in national costs and concluded that on a larger scale, the costs saved on social protection by creating more self-employed jobs is of 250 million per year (Mosley and Steel, 2004).

In this study, the question of whether the exit from unemployment is the only variable for calculating unemployment reduction and social inclusion also appears. One should also take into account other perspectives on social inclusion, from well-being to sustainability (Oughton et al., 2003). Indeed, short-term exit from unemployment might not necessarily be a synonym for long-term exit from unemployment, and the sustainability and quality of self-employment need to be further investigated. The authors discuss an aspect of self-employment that is little researched: the incidence of risk to the small business caused by crime, burglary, and vandalism (Mosley and Steel, 2004). According to this study, supported self-employment, community lending, and business start-up services present positive results of social inclusion, as they reduce the cost of social security in unemployment benefits.

Other studies, however, show that self-employment has not proven to be a satisfactory alternative to waged employment. In Smeaton's study (2003), for example, we find that people do not really make the 'free choice' of self-employment but are rather pushed into it. The study, also quantitative, examines the changes in self-employment, and more precisely summarises self-employment into two categories, on one side the portfolio worker, usually holding a university degree and producing in the knowledge-based-economy sector, 'the professional, rewarding, de-institutionalized self-employment' (Smeaton, 2003, 379), and on the other a low income-based, insecure form of self-employment, associated with a 'Brazilianisation' of employment conditions

(Smeaton, 2003, 379), which constitutes the major part of self-employment. In order to look at these issues, Smeaton investigates the push and pull factors of self-employment, focusing on motivation factors to embark on a small business, and on the ratio of satisfaction of business owners. The main findings of the study are that push factors are at the origin of many entries into self-employment, especially among women (Smeaton, 2003).

A third study (Oughton et al., 2003) shows that promoting business creation among low-income groups does not necessarily constitute a positive process of social inclusion in rural areas, and that evaluation of social inclusion and self-employment must not be restricted to job creation. To undertake their research, the authors carried out an empirical qualitative study by interviewing self-employed people from households in two distinct rural areas: the Lofotel Islands in northern Norway and Northumberland in the North East of England. These data were analysed in the light of three sets of literature on entrepreneurship: (1) the ‘Polanyian approach’, which views economic behaviours ‘as being embedded in social relations’ (Oughton et al., 2003, 332-333); (2) Sen’s (1999) concept of ‘Positive Freedom’ and the ideas of empowerment and choice (Oughton et al., 2003, 332-333); and (3) theories of social inclusion and social exclusion by Schucksmith and Chapman (1998), de Haan (1998), Gray (2000), and Cole (1999), cited by Oughton et al. (2003, 332-333).

The findings of the study show that British policies on self-employment and

social inclusion focus their understanding of social inclusion on the criteria of employment creation, and that ‘too little attention is paid to broader aspects of social inclusion, such as livelihood sustainability and household well-being: self-esteem, family stability, better employability, and increased networks’ (Oughton et al., 2003, 332). As I will show later, the same phenomenon appears at the level of European policy making: social inclusion is used as a synonym for professional insertion. Assessment of social inclusion should also look at ‘the family, community, gender and unpaid work roles’ (Oughton et al., 2003, 343). For the British households, the study shows that self-employment in rural areas gives them just enough for them to be able to get by. Moreover, most Northumbrian households’ living has become so constrained by the small business that their well-being and household stability is limited (Oughton et al., 2003, 343). For example, the authors explain that one of the women business owners being interviewed for the study ‘became so anxious about getting customers for the bed and breakfast that she refused to go out in case she missed a possible booking’ (Oughton et al., 2003, 339-340). They also explain that this business owner ‘twice mentioned that the worry was making her ill and said she had suffered from depression the previous winter’ (Oughton et al., 2003, 339-340). Studies on self-employment and social inclusion should include a wider range of criteria in their approach to the understanding of the phenomenon, which is not limited to job creation.

In addition, Marlow (2006) has found that self-employment was a partic-

ularly disadvantaging solution to unemployment for lone mothers with no other source of finance. Analysing the context of late governmental policies in self-employment as a path to work, the main result of her study is that in the context of poor deprived areas, self-employment and enterprise creation is in many cases inappropriate and does not lead to viable income patterns (Marlow, 2006*a*). Moreover, she found that the time required to have a viable business activity is not long enough for income replacement benefits to cover the absence of income which is generated by the start-up phase (Marlow, 2006*a*), and that therefore it is even less appropriate for lone mothers. Self-employment in the specific context of extreme poverty presents high risks of accentuating social deprivation and of undeclared work (Marlow, 2006*a*). Last, she suggests that one of the main reasons why the conclusion of government has been to promote self-employment as a positive direction from welfare to work is because of an unclear assessment of what exactly social exclusion and social inclusion are:

Until there is greater clarity upon how exclusion (and indeed, inclusion) can be operationalised and understood as a process, encouraging solutions such as self-employment is likely to be at best limited and at worst, economically and socially disastrous for many of those involved (Marlow, 2006*a*, 598).

These findings suggest that choosing self-employment does not automatically constitute a positive alternative to other forms of paid employment; that

small businesses in the service and retail sectors do not always generate satisfactory incomes; and that in most Western European countries the choice to become self-employed also implies renouncing some of the social rights and advantages, associated with the status of being in waged employment, such as health care insurance, childcare, and pension schemes.

How can we explain these contradictory findings? When comparing the different studies and the different criteria used for assessing the ‘ratio’ of social inclusion, it becomes obvious that the idea of ‘social inclusion’ remains vague and that in some cases there is a certain amount of confusion between the concept of ‘social inclusion’ and aspects of the concept of ‘professional insertion’. Likewise, European governmental policies on business start-up support focus their understanding of social inclusion on the criteria of employment creation and unemployment exits, rather than on the different aspects of social inclusion.

Importantly, Evers et al. (2007) found that so far nothing is known about the quality of the incomes of those who enter micro-business ownerships after having received a credit from a micro-finance agency. Research is needed to evaluate whether these new self-employed workers are actually poor workers or whether entering self-employment has actually increased their living standards (Evers et al., 2007). This is a major gap in the research on micro-finance and I will begin the research questions from this identified gap.

4.1 *Discussion*

In the introduction to this chapter I outlined my aims of identifying the issues that were currently investigated in the literature on women business start-up programmes and policies within Western Europe, how these issues were analysed and by whom. The content analysis of the literature revealed a range of contradictions. I have shown that these contradictions are due to: (1) the lack of disaggregated data by gender in entrepreneurship; (2) differences in criteria used to define the concepts of social inclusion and social exclusion; (3) contradictory representations of the female entrepreneur in her access to start-up capital among bankers and micro-lenders; and (4) the fact that negotiations between the private sphere of the household and the public sphere of business remain invisible and are highly gendered. These contradictions are due to research weaknesses of the field (1 and 2) and to problems met in the sector of business start-up support in itself (3 and 4). Training and lack of self-confidence, a central theme in EU policy-making, does not appear in the literature on women and business start-up.

The literature review revealed that the research field contains a panel of quantitative, qualitative, and combined studies, with a majority of combined studies and a minority of qualitative studies. However, it also showed that many studies take a descriptive approach to the research field, which further research should aim to balance.

Looking at business start-up support agencies' websites, it is clear that governmental policies to promote self-employment among disadvantaged social groups are developing fast, and it is undoubtedly the case that policies have preceded research. The evidential basis of many of the justifications for the development of self-employment policies within the EU is unclear. It was not until August 2006, for instance, that the 'DG for Enterprise' of the European Commission launched a first expert group on micro-credit regulation in Europe. This group had the objective of tackling the obstacles met by disadvantaged groups in entering self-employment. We might question the relationship between unequal access to waged employment and the maximisation of governmental policies which push disadvantaged groups into self-employment. Above all else, research is needed so that it can inform policy and make sure that governmental self-employment grants do not become an unthinking answer to a problem created by mechanisms of sex and race discrimination in the labour market.

Business start-up support services and micro-finance are gaining wide international, national and local interest but the literature offers little empirical evidence of the consequences that they might have on the types of work that it offers to people. Similarly, by targeting women, business start-up support services are becoming mired in gender issues. As Forsyth (2000) suggests, the system of business support services seems to 'let down' the ones they are really supposed to help (i.e. women). Some of the more an-

alytical research shows how both the banking sector and business support agencies, overwhelmingly directed by males, are portraying indirect or direct discrimination towards women regarding the question of access to credit and childcare (Forsyth, 2000; Underwood, 2006). The thesis shows that this issue is addressed in the policy making but in a way that pushes women to be entrepreneurs with stereotypically feminine attributes. In contrast to the message given by agency-sponsored research, it is not necessarily progressive, modern or feminist to encourage women to embark on a type of business that might be precarious. This enlarges the debate on self-employment and social inclusion. Drawing on previous studies (Oughton et al., 2003; Smeaton, 2003; Marlow, 2006*a*; Evers et al., 2007), there is supportive evidence that embarking on a small or micro-business might constitute an uneasy form of employment, with little financial security, low income, few possibilities for expansion, and little chance of rendering their familial and household life easier, taking into account well-being, support and help from the social and familial environment, health, social security and income, etc. There is a problem with micro-finance literature in the sense that agency literature is actually advocacy literature that supports micro-finance rather than setting up objective research goals. Advocacy literature is set up with less rigorous methodological standards, and little insight into previous research (Stratigaki, 2004). It is written more quickly and its results are disseminated freely over the internet and are easy to reach. This constitutes an easy source of information for policy-makers designing micro-finance policies. In addition,

advocacy literature, by being easily available, is the source of information used by journalists and media workers who greatly contribute to popular beliefs about micro-finance and its outcomes, such as micro-finance being thought of as bringing peace to the world and offering flexible employment options to unemployed women (Vigano et al., 2004). There is a gap between academically-constructed knowledge, accessible to members of the research community through paid access to journals and books, and advocacy knowledge, which is disseminated at no cost over the internet as lobbying micro-finance literature. To narrow this gap it is therefore, important not to let advocacy literature takes over objective academic peer-reviewed literature and reinforce partnerships between micro-finance policy making and academic research in the field; and to disseminate simplified but yet still complex versions of research results on the actual outcomes of micro-finance.

Now that the research for this dissertation has been placed in relation to previous research, I will explain the methods and research questions in more detail.

5. METHODOLOGY

5.1 Introduction

This chapter presents the methodological process of the whole thesis. I describe how I have collected the data, analysed it, and faced ethical issues in the course of the fieldwork.

There were two parts to the data collection: qualitative interviews and analysis of policy texts. The aim was to gather data from three different types of participants in the micro-finance sector: self-employed women who have started up a micro-business after receiving help from agencies, micro-finance agency employees, and the discourse of policy-makers through policy texts on micro-finance and the promotion of entrepreneurship for women. Observing how practices and discourses take place in three different spaces of micro-finance experiences has allowed me to identify gaps between practice, policy design and experiences. I call these ‘spaces of micro-finance experiences’ because I consider that designing policy for micro-finance is one way of experiencing micro-finance, in exactly the same way as receiving and providing

micro-credits are two other ways of experiencing micro-finance.

The main part consists of the 42 interviews with micro-finance employees and micro-finance self-employed women. The second part consists of collecting relevant policy texts at the EU level (because the EU is now the principal funder of micro-finance agencies across Europe). These policy texts, even though quite vague and highly equivocal, are useful to study as they also suggest future changes in the legislation concerning micro-businesses and self-employment. The discourses employed focuses on the flexibilization of work contracts (Lipietz, 1996; Bosch et al., 2007; Sapir, 2006), an important aspect of the last European treaty (the Treaty of Lisbon), another reason why the EU has become interested in financing self-employment.

Incomes from self-employment are complex to analyse because they rely on different sources and are highly fragmented (Arum and Muller, 2004; Parker, 2004). It is hard to gather data on exactly what self-employed people earn because there is no clear separation between their personal incomes (how much they pay themselves), business incomes, taxes, business costs, undeclared and hidden incomes. It is particularly difficult to analyse incomes in micro-financed businesses because credit repayments have to be taken into account (Roodman and Morduch, 2009). Female self-employment is even more difficult to grasp because by tradition and as a result of social construction of career choices women start up businesses in sectors which are low profit-making (Chell and Baines, 1998; Arenius and Autio, 2006; Walby,

2007). This creates cases of female informal self-employment which are not registered because the incomes are too low and on which data are never collected. These invisible cases of unregistered female micro-business owners render data collection even harder (Verheul and Thurick, 2003). As a direct result of this, the generic proportion of 33% female entrepreneurs versus 66% male (Regnard, 2008), which is currently defended by micro-finance advocates, is inaccurate and does not reflect the reality of micro-businesses.

Moreover, people find it difficult to talk about incomes as it is a taboo subject that people are not comfortable to discuss (Johnson and Rogaly, 1999). Micro-finance is associated with poverty and low or very low incomes because access to micro-finance is defined by non-access to credit from banks, which means a lack of savings and collateral. As mentioned by one micro-finance employee interviewed, having or not having an income is an intimate issue, something that ‘touches to the dignity of people’ (Sarah). Another employee also explained that it was very hard to get post finance data on people’s past experiences of micro-finance and that people were not willing to report back on their past experiences of micro-finance as it is associated with something ‘shameful’ and painful. It reminds people of a very difficult time in their life when they were poor and needed to use the services of a micro-finance agency to start up a micro-business. It is also associated with a period of unemployment, a negative life event that generates a negative emotion of shame (Smith, 1985; Rantakeisu et al., 1997). It is then a natural

and self-protective reaction for human beings not to wish to think back to negative events and feelings of shame (Haggerty, 2004). This explains why interviewees unconsciously avoid openly presenting how much they earn. They earn very low incomes from self-employment, and the issue is associated with something shameful and painful. I will show in Chapter 6 ('Incomes') that this results in silences around the topic of incomes and of interviewees at first avoiding saying exactly how much they earn. To counteract this effect during the interview I worked on making people feel comfortable, and took a systematic non-judgmental approach to what they said. I avoided showing strong reactions of surprise that could have been embarrassing for them while still being empathic to issues of pain or distress. I also worked on being patient and waiting when there were silences. These characteristics of unstructured qualitative interviewing create a relationship of trust and place interviewees in a comfortable situation of story-telling (Corbin and Morse, 2003). As an interviewer, this allowed me to extract data on incomes in a particularly sincere and accurate way. I am aware that by adopting such an attitude, I extracted data from interviewees in a way that requires to be careful about the way I disseminate these data and make them public as it can result in stress. Not harming study participants is a basic principle of doing research with human beings (Corbin and Morse, 2003), in particular when it touches on negative and intimate emotions (Haggerty, 2004) such as shame. I therefore remained careful about this ethical standard during the data collection, the dissemination of the analysis and the writing up of the

results.

Evers et al. have claimed that there is an urgent need for qualitative methods in gathering data in order to fully analyse the complexity of incomes in self-employment in the micro-finance sector (Evers et al., 2007). And Roodman and Morduch found that so far quantitative methods to gather data on micro-finance have been inefficient in grasping the particularly complex, fragmented and taboo nature of income accounts of self-employment as it is generated by micro-finance (Roodman and Morduch, 2009).

Analysing policy texts has also enlightened the analysis on agency' employees' discourses on their micro-finance practices. Employees, by being in contact with micro-borrowers, are closer to their experiences of self-employment than policy-makers. The study has also revealed that agencies which are in regular contact with borrowers are better aware of their borrowers' incomes than those which are not.

Analysis of the policy side of micro-finance with T-LAB has shown that policy texts contain the largest number of gender stereotypes as described by Ahl (2004, 2006) about how women are in enterprises. T-LAB analysis of different policy texts over time has also revealed that, in the policy texts, prejudices against women remain more fixed and static than in agency discourses. While women's ideas of starting up their own businesses (being their own bosses, doing something they like, or gaining an income while deciding their own

working schedules) is being modified by their experiences of self-employment, policy-makers are not faced with women's experiences of self-employment and their ideals about micro-business development remain 'disconnected from the material lives of economically marginalized individuals and their families' (Jurik, 2008, 72). Agency employees' discourses, because they interact with the people to whom they lend the credits, stand somewhere in the middle between these confronted illusions and dreams (micro-borrowers) and the static, untouched ideals that policy makers have about self-employment.

Comparing the different micro-finance discourses in different spaces has allowed to come to different levels of understanding about what is taking place within a specific field of work experience for individuals, and how political, agencies', and citizens'/individuals' discourses do not match together.

5.2 *Ontology and standpoint theory*

A major aspect of the thesis is the importance of 'standpoint' and 'situated knowledge' (Harding, 2004, 38). The position of the researcher and where they situate themselves in regards to their research influences the research, and directs the subjects of research as well (Harding, 2004, 1991, 1984).

In this doctoral thesis, a significant weight has been placed on finding out what participants in micro-finance programmes are experiencing through micro-finance and self-employment. This has been defined as an objective of

the study, and was expressed in the research questions. Interviewing both micro-finance participants and employees working for micro-finance agencies has shown that the perspectives of interviewees differ according to the interests at stake. A theoretical contribution of the thesis, therefore, is that inquiring about micro-finance from several different perspectives has shown that it is possible to have opposing and/or diverging views on what micro-finance can offer as a tool in creating viable micro-enterprises. Knowledge is therefore defined in terms of who is creating it (e.g. participants, employees, policy makers).

Harding's standpoint theory (1987, 1991, 2004) has been used as an underlying methodological tool in planning the research design and in analyzing the data, in the sense that Harding's standpoint approach means that my emphasis is not only on extracting knowledge by interviewing managers or micro-finance employees or micro-finance political decision makers (who are in a position of power in the field of micro-finance), but I also interviewed those who could be viewed as potentially oppressed by a micro-finance system that - as shown in Chapters 6, 7 and 8 - is not by default working in the interests of micro-finance participants, in particular of female participants. As Harding (2004) argues:

in a world of social inequalities and competing interests, scientific arguments always are also situated culturally and historically; they are inevitably socially engaged. (Harding, 2004, 38)

The position taken in this thesis is a feminist one in that I see different the roles socially and culturally attributed to men and women as a source of inequality in the world of work and in the household (Delphy, 1984; Delphy and Leonard, 1992; Butler, 1990, 1993; Jackson, 1992; Bradley, 2007). Gendered roles have long been identified by feminists as rooted in both culture and society and the world of work for utilitarian reasons (Bradley, 2007). Minor biological sex differences have been utilized to justify the creation of majorly different gendered roles in our capital economy (Bradley, 2007; Delphy, 1984).

I have used materialist feminist theories to analyse tasks done by the self-employed women interviewed and other members of their households, and has showed that gender loyalties are taking place in the world of micro-businesses between men and women (Delphy, 1984; Delphy and Leonard, 1992). This has been used in both examining the role of helpers in women's micro-businesses, but also what time women's micro-business owners invest in their own businesses and outside their businesses.

5.3 *The research design*

Naturally, the design of the study evolved over time. I started with a few general questions, i.e. what shall I investigate in the field of gender and business start-up support agencies, and how am I going to do it? I then

conducted the literature review, which helped me to identify gaps and to elaborate research questions and decide on a research method for the data collection.

The first concept I used to approach the research was asking myself what are the ‘push’ and ‘pull’ factors of micro-financed self-employment. A major characteristic of micro-finance is that it is oriented towards unemployed workers (Pearson and Watson, 1997; Mosley and Steel, 2004). So I decided that my first investigations should ask whether women chose to enter self-employment because they saw it as one employment option amongst others (pull factors) or whether they were pushed into it because of lack of opportunities on the labour market (Hughes, 2006; Smeaton, 2003). In the thesis I also make a distinction between structural/direct and non-structural/indirect gender factors in self-employment by using the concepts of indirect and direct gender effects of entrepreneurship (Arenius and Autio, 2006; Verheul, 2005). These are essential as they allow me to identify the distinction between different types of inequalities in entrepreneurship that have to be taken into consideration for better research outcomes. Also linked to the transition from employment to self-employment are the types of working conditions of self-employed people. One should examine not only business incomes but also other aspects of working as a self-employed person, such as health and well-being (Baines and Wheelock, 2000; Wheelock and Baines, 1998; Oughton et al., 2003). Last, materialist theories of the family as an economic unit have

contributed to looking at and discussing self-employment as a microcosm in which spaces and relationships between work, the self-employed person, and people around this self-employed person continuously interact and influence the quality of life, time, and income of the self-employed person (Delphy, 1984; Delphy and Leonard, 1992; Jackson, 2001).

5.4 *Research method*

The method used to collect my data was broadly qualitative, and comparative. I originally aimed to compare two countries of the European Union, with different welfare systems and different attitudes to self-employment. The review of the literature had revealed that more in-depth qualitative data were needed to fill in the gaps of a research field which is mainly investigated by quantitative analysis, examining what form of employment self-employment takes for specific groups (Mosley and Steel, 2004).

I was also aware that existing research on self-employment as an alternative to waged employment for Western European women lacks cumulative knowledge and is patchy, often identified as a failure to bridge the different facets of self-employment, such as income stability, informal material support from relatives, well-being at work and at home, and individuals' sense of security (Wheelock and Baines, 1998; Baines and Wheelock, 2000; Oughton et al., 2003).

I collected data using in-depth, face-to-face interviews in two countries of the European Union: Belgium and the United Kingdom. These two countries have been chosen to fulfil both practical and research needs. Being a Belgian living in the UK, it was certainly an ‘easier’ path for me to choose these two countries as a focus of comparison. I could have restricted my research to the UK only, or to Belgium only, but linking these two countries together for my research was intellectually attractive. First of all, this had never been done before. Second, I was curious to see how women with different cultural attitudes towards self-employment and living in countries with different welfare systems would respond to my questions. UK and Belgium also differ historically in their attitude to self-employment. In Belgium, being self-employed (being an ‘independent’ as it is called in French) has long been regarded as dangerous, highly hazardous, and linked to an economic separation from the State. Becoming an ‘independent’ was to lose the advantages linked to the status of the waged employed: pension schemes, health insurance, child costs allowances, paid parental leave, and generous unemployment safety nets. Belgium was governed by a left wing party for 68 years until 1999, leaving the country with a ‘socially oriented’ welfare system, with trade unions disapproving of the development of self-employment status, and strongly protective of the status of waged employees and of unemployed people. Britain, as a result of its political orientation during the 1980s and 1990s, has a more liberal economy regarding entrepreneurship, with fewer status differences between waged employment and self-employment than in Belgium.

Despite being geographically close, Belgium and the UK differ greatly in terms of welfare and attitudes to entrepreneurship, and this is the reason why they are an interesting focus of comparison. I expected that women's experiences of self-employment in these two different countries would differ, and I was aiming to find out how. Contrary to my initial expectations, however, my research has demonstrated that the experience of self-employment is not so different. Belgian and British women experience entry into self-employment in very similar ways, and the stories of these experiences are also very similar. It was also true that the data from Belgian and British agencies revealed similar gender discourses. They have similar ways of doing and perceiving business start-up support. This finding led me to revise the comparative component of my research and to reflect on how one can explain these similar patterns, both in experiences and discourses.

As a consequence, I believe the data from the interviews can be treated as a whole. It did not fall into the two different country categories 'Belgium' or 'UK', and this allowed me to stop after 42 interviews (altogether in both countries), despite the high number of different interviewee categories (self-employed women and agency employees in UK and Belgium), at the point where no more new themes appeared in the interviews.

5.4.1 Interviews

In total, I conducted 42 interviews with 20 agency employees and 22 women who owned business that were officially under five years old at the time of the interviews.

Agencies can be ordered into three categories. Three agencies provided funds for women only. All agencies provided business advice, training, and micro-financing, except one Belgian agency that proceeded differently for the financing. They did not provide micro-credits but they had agreements with the government to allow unemployed people to remain unemployed and keep their monthly allowance for a period of 14 months maximum. In exchange, benefits gained from the business were given to the agency. In cases where benefits were higher than unemployment benefits, participants were free to get out of the plan and become officially self-employed.

Interviews in Belgium were conducted in English and French. This sometimes led to problems in anonymising and discussing data. I wanted to fully anonymise the examples I use to illustrate my analysis because that was a condition of the consent forms signed before each interview. I also wanted to anonymise data fully and very carefully because a sensitive issue arose during the interviews and I did not want participants in the study to be tracked. I will explain this episode of my data collection that raised an ethical concern later on in the chapter. Translating is a delicate subject in carrying

out transnational research projects in the social sciences. Unlike non-living materials studied by physicists and mathematicians, social research is by definition studying human interactions. By studying humans, the social scientist is bound to also take into consideration the language in which these interactions happen. In the context of my study, language also shapes some elements of the findings and even after translating them, the transcripts still betrays signs of the cultural origin of the interview taking place.

In both groups, employees from agencies and the self-employed people interviewed were from diverse ethnic origins.

I also took part in the workshops and activities of two agencies for 2 x 2 days. This gave me a chance to meet groups of self-employed women and witness the difficulties, worries and questions that they had while starting up their businesses, and how agency employees responded. Staying with them for a few days also created an environment in which people would forget about my presence, and in which I would not be the external and unknown interviewer anymore, but someone who was part of the group and who was interested in their work. This has positive and negative sides. As an interviewer I could then receive a lot of informal details from women and from employees. By being part of the course and going out with them at lunch time, I became familiar with the programme participants and trustworthy. The negative side of it is that it created links of loyalties for me that at the beginning interfered with writing up the results of my data analysis. For example, I had problems

in writing negative critiques of agencies that had been particularly helpful in inviting me to be part of their course for a few days and to help me find interviewees.

I also read agencies' annual reports, which were useful in better understanding how they work and what kind of data they collect. The quality of the reports varied a lot depending on the agency, with some being much more professional and precise than others. Reports gave useful statistical data on applicants' genders and on business sectors. One agency inserted business turnovers, and some whether applicants were married or not. Annual reports also gave me a general picture of the people involved in the business start-up agencies, informed me about the gender of the board of directors, and shed light on other applicants whom I had not interviewed. This enabled me to better frame the interviewees in my study, and to roughly evaluate whether their business creation was outstanding or not in comparison with other applicants from the same agency.

5.4.2 *Business characteristics*

Interviewees were usually sole traders with sometimes a part-time employee. They run young businesses, with an official start-up date of less than five years before, which partially explains the micro-size of the business. It is also important to note that the size of the business loans involved were also very

small, between £500 and £8500, which is a second factor that might partially explain the very small size of these businesses. Size (growth) and age (time) of the businesses involved in my study are two key factors in analysing gender and business start-up support from an employment perspective because they both affect the financial incomes generated by the business, and these factors are independent of the gender of the micro-business owner.

The micro-businesses involved in my study were in similar sectors: retail (bookstores, clothes shops, importing foreign products, craft suppliers, restaurants) and services (web and graphic designers, interior designers, dental technicians, beauticians). This was not a deliberate choice made before starting my fieldwork, but is a characteristic of women's micro-businesses supported by agencies. Sector factors are correlated to the size of the credit involved (very small or no credit), to the motivation factors that push people into very small businesses (Smeaton, 2003; Hughes, 2003), and to the profiles of the women who direct themselves to business support agencies. Gender has a strong indirect effect on business outcomes between men and women (Arenius and Autio, 2006) because traditionally women tend to enter low profit business sectors.

Sector is considered as a non-problematic effect of micro-finance for women by agency employees who claim that what matters is to support women in helping them start up businesses in the sectors they choose.

In my study I also integrated women from different ethnic backgrounds, different countries, different ages and different social origins and experiences. Some clearly started in self-employment with greater advantages than others (e.g. differences in financial and/or social capital). Some had decided to become their own boss because ethnic and racial discrimination had presented them with too many obstacles to gaining a job at the level of their qualifications. This was an important aspect of the interview strategy as ethnic minorities are also targeted in the governmental plans for self-employment incentive schemes. However, further intersectional research on the effects of gender and ethnicity on micro-financed self-employment is needed in the future.

5.4.3 Study participants' approval

All interviews were transcribed by myself, in French and in English, and were sent back to each interviewee in Belgium for their agreement. In the UK, I asked interviewees to sign consent forms. Consent forms ensure that the aims of the study and future uses of the interviews are clearly given to study participants. I saw the presence of consent forms as a reassuring piece of paper, both for interviewees and for myself. Consent forms also make the research ethics of an interview set accessible to other people involved in a thesis (students, supervisors, ethics committees). It creates a form of transparency in the research process which is beneficial to all the actors

(interviewees, PhD student, supervisors, institutions) directly or indirectly involved in the study. Transparency is also a necessary element of conducting research (Silvermann, 2005) and consent forms constitute a positive way to achieve this in the research process.

Transcribed interviews were sent back to interviewees by post (or, if in doubt about change of address, by email), with an invitation to give comments or ask further questions by email, phone or post. All answers and comments received from interviewees were added to the data set and considered as material used for the analysis. Several interviewees showed concern regarding the transfer of an oral interview into a written transcript. One demanded an adaptation from the oral form into the written form of language, while another said that she would be embarrassed if what she had said was directly and roughly quoted. One interviewee asked me if it was possible to do the interview again by email. I then answered everyone separately, reminding them of the use of the interviews, that interview transcripts would not be inserted into my dissertation in the appendix, but were part of the material used for analysis, that extracts would be used, and that all interviews were anonymised. I also told interviewees that if they were in doubt about whether they still wanted their interview to be used for the study, that it was their right as study participants to ask me not to use any extracts from their interview.

In total, 850 pages of data were transcribed, and then inserted into a com-

puter programme (atlas ti) for analysis.

5.4.4 Ethical standpoint

Ethical questioning in my PhD research has taken more space than I had imagined. It led me to question the position of the researcher within the system of the subjects and objects of research. Unavoidably, such questioning also led me to make a decision about this position, and what I was ready/allowed to do about it. When doing qualitative in-depth interviews, a level of trust is reached between interviewees and interviewer, that it makes them a particularly effective way of collecting high quality data (Corbin and Morse, 2003, 338).

After several months of intensive interviewing, observation, and interactions with people in the micro-finance sector, I had gained a very specific position within the system. I was the interviewer, the data collector, but also the listener and the confidante, and I was perceived as a neutral outsider to whom ‘things’ could be said. I was not perceived as a judge, I was not an advisor and I was not a credit lender. I was not a customer either. After informing myself on start-ups, after a year spent interviewing self-employed women, visiting agencies and interviewing their employees, I had gained a ‘favourable’ position in the knowledge of the system, which led me have access to a certain amount of confidential and non-confidential information,

and which brought me a unique and privileged understanding of the situation.

A case of sexual and financial blackmail was revealed during two interviews. A micro-finance employee was telling female applicants for micro-credit that going out with him and 'being nice to him' would secure and accelerate their micro-credit application process. The interviewee who told me about it told me about her resistance to that threat, and how - she thought - she had managed to get out of it without too much trouble by continually rejecting him and saying she knew other micro-finance agencies to go to. What she did not know, however, is that one year for a credit application is an abnormally long time to wait to obtain an answer for a micro-credit.

When this report of unethical behaviour happened, it was not at all easy to decide what to do. I wanted to give my support to that woman and found it unacceptable that this employee was using the difficult financial situation of these women to harass them. But I also wanted to be careful, not take any unnecessary risks for myself or for the woman involved who - I knew - had felt comfortable in talking to me about it only because she knew it was an anonymised interview (Corbin and Morse, 2003). I was also afraid of losing data and started thinking about the consequences for my PhD if suddenly all my interviewees decided to withdraw from the study, something that they were allowed to do and that I had informed them of both before and during each interview.

I was working with adults so, unlike reports of unethical behaviour reported by children, I did not have a legal obligation to report it. My job as a researcher was to report unethical behaviours within the limits of what is legally and realistically possible. After detailed discussions with my supervisors and my TAP panel, after submitting the issue of concern to the Ethics Committee of my University, and weighing the pros and cons of the situation, I concluded that four elements were very important to me. The first one was not to endanger people's lives, a basic principle of doing research (Corbin and Morse, 2003). The second one was to respect individuals' wishes in reporting cases of unethical behaviours. Third, it was important not to go beyond the set of tools that was offered to me as a PhD student. Fourth, I did not want to damage the ties of trust and confidentiality that existed between the 42 interviewees and myself.

Being a feminist researcher, I took into account two additional parameters: the free agency of individuals, and the existence of power relations between gendered individuals. The first one observes a situation from the perspective that any individual is free to choose and decide what is best for him or her. Applying this principle to my own research, it was therefore, important that I respected my study participants' wishes (Corbin and Morse, 2003), that I was considering them as free agents, possessing the ability to decide which way they wanted to follow, and what actions and strategies they had decided to pursue to ensure their economic and personal survival. The second parameter

takes into account the principle by which power relations also exist between these free, but also gendered individuals who negotiate power in relation to social and racial categories.

This woman did not want to register an official complaint against that employee. She did not want that. She said that now that she had received the credit and started up her own business, she had obtained what she wanted and did not have time to go through such a procedure. However, she told me she agreed to me talking about it. It was therefore important that I inform the agency responsible for the delivery of micro-credit that something was wrong without involving the woman who had told me about it. What happened next – and what I then decided to do about it – is something that I chose to keep confidential. Nevertheless, my decision on this ethical issue was influenced by these principles of treating interviewees as free agents who are nevertheless caught up in gender, class, and race relations, of qualitative interviewers as having a particular overview of the situation that allows her/him to see things that are not always visible/audible from other points of views, sometimes described as being an ‘authoritative’ point of view (Bryman, 2004, 502-503). It pointed out the need to gain as much transparency as possible while conducting research with participants at the same time as not harming them. It became an opportunity for me to engage with the implications of conducting research in the social sciences, and enlightened my understanding of outsider/insider positions within the research field, and of

both the potential support and harm that this special position can bring to study participants (Haggerty, 2004).

5.5 *Gathering policy texts*

After analysing the 42 interviews, I printed out political texts on micro-finance from the European Commission website (www.europa.eu). I selected the three core policy texts on micro-finance: the communications for the Jasmine initiative (2007), for the Jeremie initiative (2006), and for the Micro-Finance Facility (2009). The last one to date is from 03 July 2009, which shows that micro-finance has become a priority for the European Commission's politics on economic growth. It is likely that further policy texts on changes in regulations and legislation on self-employment and micro-businesses will take place in the future.

In addition to these three core policy texts, I analysed complementary texts on these policies, also from the European Commission website. These include discourses from EU politicians on supporting micro-finance for women.

5.6 Data analysis

5.6.1 Analysis of interview data

I analysed the interview data using both the traditional method of mapping ideas and words on a white board to gain an overview and computer assisted method of coding data using specialist software (atlas ti), usually associating extracts with different words: themes and subthemes. Additionally, I used the different concepts described in the literature review to build up the analysis of these different themes. Primary analysis showed that using a transnational comparative method gave similar findings regarding women's experiences of self-employment in the UK and in Belgium.

Primary data analysis also showed that the major parts of my findings were shared by the majority of interviewees (self-employed women and agency employees), and that a few special cases did not enter this panorama of common findings. The analysis therefore not only observed the themes and findings from the data collection but also examined what is particular about the outliers. In the next chapters, I will explain why a small group of interviewees had different experiences of self-employment, and how some agency employees did micro-business support differently.

The data analysis was therefore a three-stage process. First, I drew a general picture on the emerging themes by reading and taking notes of the interview

transcripts. Then I inserted the 42 interview transcripts into the qualitative analysis software ‘atlas ti’, and coded the interview contents by focusing on working conditions and incomes (drawing on self-employed women’s experiences, and agency employees’ practices and perspectives about these). I then printed out the output of the relevant codings with their corresponding quotes. In addition, I drew a table with the profile of each business that was part of the study, which allowed me to cross-check findings and make sure that they corresponded to the findings from the thematic analysis. From that table were identified connections between the motivations, incomes and self-employment activities of each interviewee and a clear emergence of two distinct groups of self-employed women, in which each member shared common characteristics with the other members of their group.

During the writing up, I regularly went back to the data set, either from atlas ti (useful to look back at data by created codes), to the printed copy of the 42 interviews (full of notes, marks, and highlighting), to the profile table of the business characteristics and income viability.

5.6.2 Policy analysis

Each text was printed out and analysed qualitatively by observing the different themes that emerged from their content. This allowed the observation of an idealisation of micro-finance for specific groups, such as ethnic minorities,

women, unemployed workers and young people for the micro-finance policy texts. This also allowed me to notice the presence of an association between a discourse on economic growth and the promotion of self-employment.

The second aim was to focus on the presence of a discussion on women in entrepreneurship, and how it is introduced. In this regard, I found a strong encouragement of entrepreneurship for women as a way of doing entrepreneurship differently. The texts on the promotion of women in enterprise place a strong emphasis on ‘defaults’ that women have in self-employment (e.g. a lack of self-confidence).

In order to verify these interpretations, I used the discourse analysis software ‘T-LAB’. When the policy texts are inserted into the software, it creates a categorisation of how many times ‘lemmas’ appear in the selected texts. A ‘lemma’ is a semantic gathering of words that are related to the same meaning. For example, the two common nouns ‘confidence’ and ‘confident’ are automatically gathered under the same lemma, and are considered by the software as being one and the same item to integrate into the analysis. T-LAB then calculates how many times lemmas appear in the inserted texts and organises them in order of importance regarding how many times they appear in the sum of selected texts.

T-LAB also identifies correlations between words, by looking at how many times lemmas appear next to one another in the analysed texts. This gives

the coefficient results for the different lemmas with one another, and allows the researcher to investigate the association between lemmas.

For example:

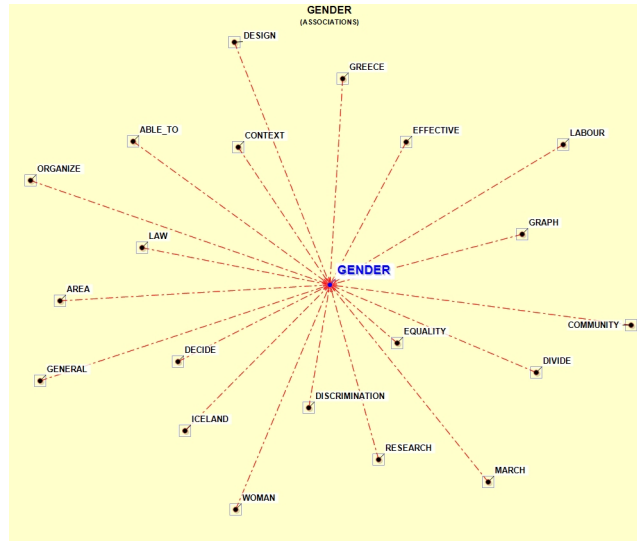


Fig. 5.1: Lemma ‘Gender’

As you can see in this example, it gives not only the most often used lemma, but also the lemma in relationship with other lemmas. It is then possible to choose to view and analyse other lemmas on the list, and observe how far away, or how close their relationships are to other lemmas. Then, it is also possible to have a look at the table view of this unit of analysed lemma, which tells us what exactly the coefficient factor between the different words is. In the figure, we can see that the lemma ‘equality’ is the closest one to the lemma ‘gender’. By having a look at the table, we can see that the coefficient for the lemma ‘equality’ in relationship to the lemma ‘gender’ is 0.557. The second closest lemma to ‘gender’ is ‘discrimination’, and their coefficient is 0.348.

T-LAB is useful in two ways. By looking at how many times lemmas appear, it allowed me to confront my qualitative interpretation of what is said in the policy texts, and observe how often the lemmas appear in the policy texts.

This does not mean that because some lemmas are not represented in the list of the most often appearing ones that they are not important or should be discarded. But it allows the researcher to quantitatively check the presence of some discourses (e.g. self-confidence, training, gender, equality, lacks, etc.), and say whether the presence of these discourses is frequent, medium, or occasional.

Selection of the corpus

In T-LAB language, a corpus is a gathering of selected texts for a chosen unit of analysis. In the first instance, I decided to gather all selected policy and micro-finance texts together in one single corpus. I ran the software and noticed that my interpretations of the discourse on a female entrepreneur did not appear in quantity in the list of most often appearing lemmas. For example, the lemma ‘confidence’ that I had seen everywhere in the analysed texts did not appear while running this analysis. I then decided to run it a second time, but this time separating the different texts into two different corpuses: one for the three micro-finance policy texts (communications and initiatives) which have an EU legislative value; and one that gathers together the texts

on the promotion of entrepreneurship for women, which have with no legislative value. By doing this, I noticed that the qualitative interpretation that I had made about the seven texts together, which showed a gendered discourse on women's enterprises, was prominent in the non-legislative texts on women in enterprises (which all use the micro-finance legislative texts to support their argument). This means that the micro-finance policy texts ('JEREMIE', 'JASMINE', and the 'micro-finance facilitation initiative') occasionally mention gender and do speak of women at some point as a target group to encourage into self-employment, but when we look at the number of times it appears, the presence of this discourse is not as significant as in the non-official texts on the promotion of women in enterprise. However, it is worth noticing that there is an increase in the number of times references to gender or women as a target for micro-finance appears over the years. In the first micro-finance text it is rarely mentioned, but in the 2009 Micro-Finance Facilitation Initiative text it is mentioned more often. I would interpret this change as the business case for gender and diversity in enterprise in a context of growing fascination with micro-finance.

In the non-legislative texts on women in enterprise found on the website of the EC (Corpus 2), I also integrated the only existing text on women in high tech and innovative enterprise sectors (from the European Commission department of trade and industry). Then, to check whether gendered discourses on women entrepreneurs were also present in this sector, I also ran

one T-LAB analysis of this text by integrating it alone in a new corpus (Corpus 3). I then noticed that Corpus 2, with all the non-legislative texts on women in enterprise and Corpus 3 had the same dominant lemmas, and that they presented similar lemma associations:

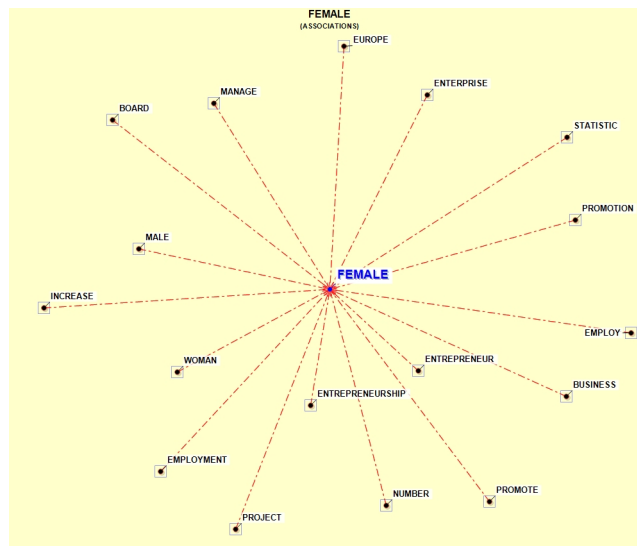


Fig. 5.2: Lemma 'Female' (Corpus 2 'Promotion')

This revealed that even discourses on the lack of training and confidence appear in any sectors of enterprise, and that this also refers to engineers and highly-skilled and highly specialised occupations. The results of this corpus comparative analysis will be detailed in Chapter 8.

Using T-LAB has therefore, sharpened the qualitative interpretations of the texts by observing exactly how often these discourses appear in the analysed texts. I changed my understanding and analysis of the content of these different texts after using the software. This led me to make a distinction

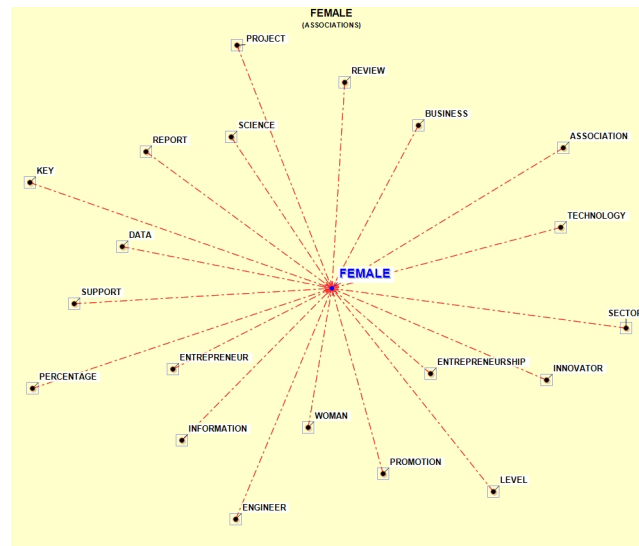


Fig. 5.3: Lemma ‘Female’ (Corpus 3 ‘Innovation’)

in the content of the different types of texts (legislative versus lobbying texts), even though they were all created by policy makers from the European Commission (and are all available on the website of the European Commission, ‘www.europa.eu’). The micro-finance texts with a legislative value target women but do not discuss at length their essentially feminine characteristics as ‘different entrepreneurs’. However, all the other texts directly promoting women in enterprise do. These discourses use the micro-finance policy texts in arguing why women are needed in enterprise creations by claiming that they have been identified as a target in JEREMIE, JASMINE and the Micro-Finance Facility. The media and political discourses on a female entrepreneur and on women as unconfident and undertrained entrepreneurs become invested by micro-finance agencies in the way they

implement their programmes and their views on micro-credits. This explains why the claim about women's lack of self-confidence appears in the interviews with the micro-finance employees, and why it features in their practice of micro-finance.

5.7 *Conclusions*

The aim of this chapter was to give a detailed presentation of the research method used for the thesis, what happened during the fieldwork, and how the different types of data were collected, and then analysed. It has shown that there are close interactions between the different types of data available, and that according to the type of realities from which the data are drawn, they are static or not. Thinking and reflecting on the methodology, putting it in place, and then carrying out the data collection, and analysing it, has contributed to my understanding and personal reflections on research, and how the method contributes to the outcome of a study. In this case, doing a qualitative study and approaching the study participants in a friendly, yet professional, way has allowed me to gain access to some 'hidden', or less commonly discussed information. In this way, I have been able to understand that incomes were not easily discussed with micro-finance employees. This has also helped me to better frame the general landscape of micro-finance, and to have a lively and unstatic discussion with the different actors involved

in the subject of my investigations.

My understanding of micro-finance has changed over the years, and during the different stages of the research process. It shows that the data analysis, as well as people's accounts of an experience or a practice, is an ever changing and constantly moving process. It also means that it is possible to go back and forth between the different elements that frame the understanding of a piece of research, and that the so-called established facts and the theories that are developed from them are also a non-static process, and change over time and experience.

In the next chapter, I will analyse the interview data on incomes and show that there are two groups of self-employed women. Most interviewees have an income under £1000 per month. However, for the first group, self-employment represents a better option than for the second, which earns no or very little income (under £300/month).

6. AGENCIES

Micro-finance agencies play an important role in the way micro-business start-up is portrayed as an alternative to waged employment, and specifically as an alternative to waged employment that is claimed to suit women particularly well. As agencies influence the way micro-finance candidates plan and think of their future micro-businesses in this chapter I describe the different agencies' profiles, and their characteristics.

Agencies differ in the reasons they give for being involved in micro-finance. There are, for example, agencies that provide micro-finance because they think that female candidates have a lot to gain from developing their own businesses. Other agencies provide micro-finance out of the conviction that it creates employment. Yet others show a more cautious attitude towards self-employment – and of current discourses that promote it for women in particular.

This chapter shows there are two main types of agencies. I argue that their practices are influenced by their ideologies: one pragmatic, one highly ideal-

istic . I will show that the agencies which are the most pragmatic in their approach are also those which are less marked by specific gender oriented practices. Agencies that are highly idealistic and use the social justice argument are those which are the most sensitive to gender issues and yet, their practices of gender and business is 'femocratic'(Nillson, 1997) and do not bring – from an income point of view – good results such as social inclusion and economic power for the women involved. Rather, by applying special principles of gendered needs and differences in 'doing' business (Bruni et al., 2004), they give an opportunity for the existence of micro-businesses in a contemporary culture with a growing desire for self-fulfilment (Fenwick, 2002).

6.1 Agency characteristics

I used data on the discourses deployed by agency employees to classify agencies into two main groups – pragmatic and idealistic. While doing the fieldwork, I asked agency employees what they liked about their jobs. This was not part of the prepared questions I had for the interviews, but I suspected that this question might also contain interesting data for the study, without yet – at the time of the fieldwork – knowing exactly why. Then, when I sat down and started to analyse the data, I realised the worth of these extra questions to the study. Employees from the pragmatic group were more realistic

Idealist	Pragmatic	Other
Agency A (Karen, Katie, Rachel, Hannah, Heather)	Agency G (John)	Agency M (Jeff)
Agency B (Kevin)	Agency H (Sarah, Peter)	
Agency C (Jenny, Naomi, Alison)	Agency I (Mary)	
Agency D (Fiona)	Agency J (Ann)	
Agency E (Thomas)	Agency K (Paul)	
Agency F (Holly)	Agency L (Justin)	
	Agency M (Sam)	

Tab. 6.1: Agencies groups

regarding the possibilities of micro-finance. On the other hand, employees from Agencies A, B, C, D, E and F presented business creation as one way of finding self-fulfilment at work, and are happy to help women do this.

The following table summarizes the employees I interviewed and the type of agency they belong to. I interviewed 21 employees in 14 agencies. In addition, I also interviewed one consultant who was working with Agency B on an occasional basis, and one coordinator of a women's business network. In most cases there was a good match between the values of the agencies and the values of the women who were successful in gaining credits from them, i.e. women who are pragmatic received credits and/or business support from pragmatic agencies, whilst those who started-up a micro-business for reasons of self-fulfilment received them from idealist agencies.

Employees from the pragmatic group are more realistic regarding the possibilities of micro-finance. On the other hand, employees from Agencies A, B, C, D, E and F present business creation as one way to find self-fulfilment at

work, and they are happy to help women do this.

Realistic agency employees have a more neutral attitude towards promoting self-employment. They are run by people who do business support to do business support, not to do something social. They rather perceive that their job is to offer a service which is business support, and they talk about micro-crediting as a product.

Idealistic agency employees carry out micro-finance work with the aim of doing something good for society. They are also those who usually run micro-finance schemes for women only. In this case as well, it is argued that having women-only micro-finance schemes is in itself beneficial to society.

Arts and crafts are business sectors that are well appreciated by idealistic agencies. Craftmaking is idealised and ‘romanticised’, and it is common for waged employees to sometimes dream of starting up a full time business with the craft that was once an after-work hobby (Inkson and Best, 2005). This is perceived positively by idealistic agency employees, and they like the idea of supporting self-employment that aims to help people transform a hobby into a full time job and business. They do not perceive earning financial profit as a priority in self-employment and they assume that fulfilling a dream – such as transforming a hobby into a full time job and a business – will bring people a satisfaction that outweighs their subsequent lack of income. In Chapter 8 I will show that women in particular are particularly subject to be perceived

by agency employees as undertaking a business for other reasons than money.

Some micro-finance agencies promote the support of business which are not profit-making whilst other have a more pragmatic attitude towards the role of business support in general and do not mention self-fulfilment as a reason for supporting people into self-employment.

Employees' values, like women seeking credit, appear to fit the characteristics of the agencies they work for. Sarah and Peter from Agency H are both very realistic about business creation, and have a critical discourse about promoting business development for vulnerable workers, in which they argue more women than men are present. For example, they discuss incomes with their applicants. At the other extreme, Jenny, Naomi and Alison from Agency C associate business development with self-fulfilment and their agency promotes alternative discourses about enterprise development and economic growth.

In the above table, Agency A, C, D, F are women-only agencies and provide training that lasts over several months, at the end of which, women can apply for a micro-credit. We can see in the table below that women-only agencies are all idealistic agencies. This suggests that doing micro-finance for women only reinforces the idealisation of micro-finance and reinforces the factor whereby individuals enter self-employment for self-fulfilment. I argue that these programmes, by being gendered – trying to do something

for gender equality – are falling into a ‘gender trap’ in terms of gender equality. Indeed, in Chapter I, I outlined that there are two different types of feminisms I have used to explain gender patterns in this thesis: liberal and radical feminisms (Ahl, 2006). Women-only agencies are using radical feminist arguments to justify their specific training and business support. They argue from the point of view whereby women and men have equal rights in self-employment but are different in the way they do business, and in the reasons for entering self-employment. I will not deny here the fact that men and women have different *experiences* of life, precisely because of gender constructs. But it is easy to get caught up between what constitutes the different social constructs that make us have different experiences of life as men and women (e.g. by being encouraged into reproduction or production occupations from a very early age), and what women-only micro-finance agencies are doing about that.

6.2 *More women in micro-finance*

When I interviewed them, agency employees gave me data on their agencies, including annual reports. Some of these have provided useful sources of information regarding the number of men and women in business support and business sectors. They show that women overwhelmingly start up micro-businesses in the sectors of crafts, small retail and small services. Annual

reports also show that women are not as absent from micro-finance as policy and lobbying discourses argue.

For example, according to their annual report, Agency B – which is idealistic – has lent £1 000 000 in micro-credits with an average per credit of £8100. In total, 129 micro-businesses were started up with these micro-credits. One third (33 %) of these allocated credits were for micro-services and crafts, and 10 % for artistic work. A further 5.2 % was for well-being and 20.7 % was for micro-retail. The remaining 25 % was distributed among transport, information technologies and computing, and professional services (annual report 2007).

According to available data from the agencies from whom I received annual reports, it appears that more women use micro-credit than men. Indeed, among all the general agencies for whom we have data, there are either 50 % of male and female borrowers, or more female borrowers than males (it varies between 54 % and 61 %). In particular, Agency N had 54 % of female micro-borrowers, while Agency K and Agency E both have 61 % of female micro-borrowers.

However, according to agency literature, 44% of European micro-borrowers in 2006-2007 were women, with the UK being above this average, with 54% of female micro-borrowers (European Network of Microfinance, 2008) ¹. But,

¹ There is no academic proof of the exact number of micro-borrowers by gender in the EU. These sources are non academic, have not been peer-reviewed, and are found in reports written by agencies. They must be approached with caution. Numbers by gender

there is a distinction to be made here between the reported numbers of purchased credits from micro-finance agencies, and the reported numbers of users of micro-business training and support. The annual reports of agencies report numbers of women who have created a micro-businesses with their help to be between 50% and 60%, but this is because it also includes women who have started up a business after having followed a programme (including training, workshop, and support sessions), but without applying for credit.

6.3 Perceptions of personal income from agencies

Both in Belgium and in the UK, microfinance is evaluated by looking at the sustainability of microfinance agencies (Dayson and Quach, 2006), the number of unemployment exits, credit repayment rates, and the coverage of business costs. The income generated from self-employment is not taken into account in these calculations because agencies have no written records of these personal incomes, and oral records are based on employees' informal initiatives. Only one agency in my sample, for example, kept data on, and commented on the turnover of funded businesses in their annual report. Oth-

for Belgium are, for example, contradictory. The ENM working paper Nr 5 (2008) on the overview of micro-finance in Europe for example posits 30% of female micro-borrowers for Belgium, while another report, more detailed, states that women represent 51% of micro-borrowers in Belgium (Van Cauwenbergh, S. and Watthy, J-P. Fonds de Participations and Rseau de financement alternatif., 2008). In Germany, it is estimated that the number of female micro-borrowers is 44% (Lahn, S., Hayen, D. and Unterberg, M.. Evers and Jung, 2008), in France Aquitaine, is 51% (Branca, S. and Jegourel, Y. Comite Regional d'Aquitaine., 2008).

ers thought it was more important to keep statistics about marital status, business sectors, gender, ethnicity, and dates when the credit was offered.

Despite the prominence given to micro-credit as a way of helping women and creating economic and social renewal, records of the future outcomes of these micro-businesses are not monitored. When I asked agency employees about these, they explained that they did not have time to keep records of these data, or that people were not happy to think back to a negative time in their lives (e.g. when they were unemployed and needed financial help to borrow a micro-credit):

E: So it's not possible to know how many of these micro-businesses are still working today?

I: No, I don't have that.

E: I mean, in the long term.

I: No. You know, the data bases I just gave you, we only made them very recently. Just to do that it took us so much time. (...) So if we were to have surveys on all the people of the preceding years – that would be a huge work to do. We would have to go back in the past, find their phone numbers, check whether their addresses did not changed. It would be a crazy amount of work in itself. We are not paid to do this.

E: So ideally you would need someone from the outside to do this.

I: It would be really interesting though. It would be extremely interesting to do so. But the practical problem would be to search for these people. Where are they now?

(John)

When asked about the income levels of women who had taken up micro-

credits, employees from support agencies said that either they simply did not know this, or that people were simply not happy to discuss their earnings: ‘We found that a lot of women did not really want to answer that question, because it is quite personal’ (Rachel).

In one case, the agency employee’s perceptions of his/her clients’ personal incomes totally contradicts the reality:

Interview with employee:

E : When do their businesses become viable? When does it bring them an income?

I : Directly.

E : Directly?

I : Yes. This shop, for example, started a bit more than a year ago, and it’s working really well. Female. One kid. Divorced.

E : It worked straightaway?

I : It worked straightaway. This is a striking example of someone who was unemployed and who sorted herself out.

(Jeff)

However, compare this to the account from the woman the agency was referring to:

The money I earn from the business pays the rent of the business premises. Because I also have another rent to pay, my flat, that I pay with my personal savings from earlier. And my savings are shrinking, mhh... really really fast, and that is thanks to these

that I can still keep my flat. And yet, I am quite lucky actually, because my mum sees that I have no time, well, sometimes I just do not take the time, but she sees that so she always sends me food for the kids. She picks them up, feeds them, and I only have to pick them up and send them to bed. And yes, I often go to her place and stay with her after work. And then I go back home. So these are spendings that I do not have. And also, because I am spending the whole day in the shop, I have no time for shopping, which was not the case before. So these are also big savings! [laughter] Yes, so that is why now, I 'live', between brackets. (Gabrielle)

Some agency leaflets portray accounts and pictures of 'successful' business creation cases, in which women are shown having found a job and happiness at the same time. However, I interviewed a self-employed woman who had been featured as one of these 'success stories' and she told me that she was helping her new partner in his own business, but that she herself did not have enough clients to earn a viable income:

After my divorce I rapidly met my partner. Then I quickly moved in with him because I had nothing, so yeah, that was lucky for me, he was making good money. My ex-husband had debts, he had stopped paying his social security, so I was not even entitled to get children allowances for my daughter. I had nothing. So, I was very lucky to meet my partner. (...) But now I feel that he is trying to control me, and what I do for the business. I told him the other day, if you wanted me to be autonomous, it would have happened a long time ago. I feel I cannot breathe. Because I really need to be able to tell myself that in case he is not there tomorrow, that I can survive without him. Be an adult. (Amanda)

When I asked questions about the income of self-employed women, several agency employees claimed that ‘earning a wage’ was not every woman’s aim in life. As an interviewer, I sometimes felt that asking the question was intrusive, as if in this context ‘earning money’ was demonised:

I do not see why women with such projects [crafts, small retails], why, if they really have the competences, and if that’s really what they want to do, why these competences could not be recognised as valuable, why their project could not be recognised as a project that is meaningful? And yes, indeed, this is right, that will not obviously be the woman who will earn goldmines, but... but is it her motivation? It is important to see what she would like to do with her project. Many women come here and their motivation is... yes, for some their motivation might be to earn a living. But for many of them, it is also ‘I want to be able to be self-fulfilled in a project that fits me, and have some control over my time’. That’s rather a life project. It is not just a matter of doing business and earning money. (Jenny)

or:

I: So I do not think we will be able to find out if they are financially happy with it unless they volunteer to tell us and it came across in conversation, but given that a lot of women are part time maybe only doing a few hours a week or maybe doing let us say twenty hours a week. I think they are doing mostly what they can manage and fits around the rest of their lives and I do not think that making a lot of money is always the primary aim for them. Cause as I said earlier on, a lot of them are more sort of hobby lifestyle ones, like making bags so they are just going

to do it to bring a bit of extra cash in and because it gives them something to do. It keeps them occupied, maybe a lot of retired women just for them to be able to do something.

E: Uh-mh.

I: So monetary aim is not... you know making huge profits is not the first thing that they are after.

(Rachel)

One employee from a pragmatic agency (Sarah) does find it important to discuss income, both with male and female clients. For example, she asks her clients how they are coping financially when she suspects they are earning a low income, saying that this aspect is an important part of her work:

If I see that for two years, someone has earned very low incomes and that they can hardly pay the business costs, and that s/he does not pay her/himself, I will ask myself the question 'How does this person cope? And afterwards I will always ask them how they manage. This lady for example opened a fashion accessories shop. She had predicted a turnover that was three times higher than what it is now. So for the last two years, she has not paid herself, she has repaid the credit with difficulties, but she did it anyway; for the past two years, her partner entirely took care of all household costs. I say 'congrats' to her husband. He does not only support her financially, but also emotionally because to keep going in business when you do not earn a single penny out of it for two full years, this is psychologically extremely hard, and she has been down several times... I know it because I follow the case very closely. And that he is always there to help her. (Sarah)

Sarah is an exception in the interviewees as she is the only one who does not make money a taboo and who openly discusses this issue with her clients. It

is puzzling that she is an exception, and my argument is that it is because employee agencies perceive women as secondary earners (Siltanen, 1994) for whom money is not a priority in life or in self-employment. I will demonstrate this with evidence from the interviews in Chapter 6 ('Income'). Second, I also argue that gender plays a very specific role in perceptions from agency employees in the self-employment of female clients. This is because of the stereotype whereby earning an income is not as important for women as it is for men, so agency employees argue that women are interested – not in money – but rather in self-fulfilment. Chapter 6 will show that this is not the case and that there is a mismatch between the experiences of women and what agency employees imagine about their female clients. I will show in Chapter 8 ('Gendering Micro-finance') that the perceived non-desire of women to earn an income out of self-employment has been replaced by the idea they they are really looking for self-fulfilment.

6.4 Business support rationale: pragmatism and idealism.

As mentioned above, women from Group 1 ('pragmatists') and Group 2 ('idealists') sought funding from agencies that reflected their identity in motivation for starting a micro-business. The pragmatic ones reported they approached agencies that had a pragmatic approach; while the 'idealists' approached agencies that reflected their view of self-employment, and among

other things, who would support their desire of entering business in a quest to be self-fulfilled (see chapter 9). This means that earning or not earning does not appear as primary for agencies 1, 2, 3, 4, 12, 14.

6.4.1 *The pragmatic approach*

The first agency approach that I identified was one of pragmatism and realism towards micro-finance. Agencies who hold this belief see self-employment as something to be approached with caution and they do not publicly promote it. When I asked this type of agency about the dangers of entering business, staff talked in detail about the limitations of micro-finance, insisting that ‘self-employment is not for everybody’:

Saying that we are going to solve all the problem of everyone who come and see us by providing them with a credit of 10, 15 or 20 thousands Euros, and claim: ‘oh, it’s OK, she is now self-employed and independent, we have succeeded, wonderful’, it is false. I think it is wrong. (John)

Another ‘pragmatic’ employee explained that pushing people into self-employment can do more harm than good, and that it should not be promoted just for the sake of it:

It [micro-credit] is one tool against poverty that can give some good results, with low investments. But now, saying that we are

going to solve all the problem of everyone who come and see us by providing them with a credit of 10, 15 or 20 thousands Euros, and claim: ‘oh, it’s OK, she is now self-employed and independent, we have succeeded, wonderful’, it is false. I think it is wrong. It is only given to a certain category of persons, who really have an entrepreneurial spirit. (Peter)

The pragmatic agencies are concerned about their beneficiaries’ incomes, because it is important to them. They undertake more income observations even though, as the previous two sections have shown, this is not a requirement and is only based on this agency’s initiative. They are also attempting to develop more techniques to observe the longer term impact of business support (e.g. data collection, statistics, detailed annual reports).

A common feature of ‘pragmatic’ agencies is the absence of advertising. They claim to wish to help micro-entrepreneurs who would become entrepreneurs anyway, not to attract people into self-employment for the sake of it. The following employee for example, highlights the importance of the familial environment, and support from relatives, regardless of gender, in business. It also puts the emphasis on the number of hours spent in self-employment:

We always take into consideration the familial environment when people start up their business. Everyone, you know, husbands, wives, children, etc. Even if they are not directly implicated into the business, even though they are not working full time in it, they always play an important role, because having a business requires a presence, and a very complex organization. So for

example I always tell my customers, no matter whether they are male or female, I always tell them ‘if your partner or spouse do not agree on this, stop it straightaway because one day you’ll have to choose between your partner or your business’. (...) A commercial activity needs a lot of investment to be viable. It may be 10, 12, 14 hours a day, sometimes more... So some family do not stand that. So it is better that they are aware of this before. (John)

The question of targeting specific audiences for support programmes into entrepreneurship also gains a thoughtful reaction in pragmatic agencies. Indeed, when I asked the question ‘Do you believe that women’s entrepreneurship should be promoted?’, I was told that it depends on the context. One such agency employee argued that in an ideal world entrepreneurship should be accessible as an employment possibility to everyone, no matter their gender, ethnicity, or social background. But in our non-ideal world, he insisted, many of the women who asked for credits were already in financially difficult situations and that whilst that made them a policy priority they were a dangerous group to push into self-employment:

I am not sure that women are more ‘blocked’ in being able to develop an business than men. But now, of course, within a familial cell, you do have barriers, and they have much more barriers than men within the familial context. But the question is now: should we help them to overcome these barriers to enter business? ... mhm... there I think one should think twice about it, and see where would be the positive aspect of that, where would be the positive aspect in them having to become absolutely self-employed? (...) We also have to bear in mind that our customers

are in a situation of bad credit rating... and live in deprived areas.
(Peter)

E: so according to you, would it be necessary to create more programmes for women who want to be entrepreneurs?

I: I would say, yes, and no. It is always good that they are measures to help people in general, and maybe to help women in particular, but then with specific support for women, yes. But one should not fall in the opposite effect, because then there is the risk to push people into self-employment. Because if you make it too attractive, then people will think it is very easy to be self-employed. Nevertheless, they are many obstacles to overcome, it is not easy. Usually it is very complicated. So it is nice to give help but this should not give the impression that things are easy. Difficulties remain. So it is important to find a balance between incentives and let's call it that way, the reality, and what it is. So it is good to give some help to people but this should be done with caution and this should not give the message that thanks to them everything is just going to start up on its own. This is the risk. So...helps, yeh, maybe for women this would be good, but then again this should be done with caution, identify what kind of incentives. I think everything is harder for women. Whether it is finding a job as a wage employed, or whether it to become self-employed. Even worse if they single mothers... That this is very difficult. (John)

One employee (Mary) who is an accountant and was recently hired by a micro-finance agency, explains that she is very surprised at the sorts of issues she has to deal with while supporting people into self-employment. For her, a large majority of women who come and seek credit and business support in her agency are in a 'state of survival', women for whom starting-up a business

really looks like a ‘very last chance which is given to them’ (Mary). Last chance for what? Many suggest the answer is about surviving financially, hoping to make ends meet, she says. She gives me one example: Mrs X, who has two children, started up a small snack restaurant with an associate. She received a credit for the business and her associate put his share of the investment into his personal savings. She received a credit from another agency, but since ‘they do not know what to do with her anymore’, they referred her to another agency for help. Mary tells me that she really does not know what to do with her either. The snack restaurant is not working well, and Mrs X has not paid herself for the last six months. She is disappointed, as she did not know she would not be earning anything at the beginning, rather, she thought she would earn an income immediately. Six months have passed since she opened up the business and she wants to get out of it but her associate does not want to as he can survive longer on his savings and wants to keep on trying. Mary describes Mrs X as being distressed about her situation, explaining that she regularly comes to her in a state of panic and regularly cries at the meetings they have together.

During the whole interview, Mary therefore insists that she tells people how entering self-employment is a risky business, that they will have a debt on their hands, have no income for a while, and run the risk of not gaining any income at all.

It is extremely important to make people aware, and to be totally sure that they know what they are embarking on. Because often people take it is their last chance, but they have no idea of the consequences that follows. You know, just be aware that being self-employed, also means managing and being able to take care of all sorts of things at the same time, that it is an important workload, of which they will be responsible. It's really not easy.
(Mary)

At the end of the interview, Mary explains that she has 'suffered' from self-employment herself: her mother was a single mother with a flower shop, who worked all the time, all year round, and that they lived in a permanent state of stress and poverty.

Agency employees who are more realistic about the service they offer also relate non-successful cases of self-employment. There was the case of the caterer, related by the agency employee Mary, and there was also another case, related by Ann, who told me the story of a accessories shop owner, who has been entirely financially supported by her partner since she started up her business three years earlier.

The agency employees who are in pragmatic agencies are more realistic about the problems faced by women in self-employment. They are quite atypical in the way that they are aware of the negative sides of supporting self-employment for women with very low-incomes. Their disillusion about micro-finance (Sara for example explains in the interview that she has changed her perception on micro-finance after working for a few years in the field) con-

tradicts the optimism of micro-finance as being a solution to unemployment, poverty, childcare problems and gender inequality. This also means that agency employees' perception of micro-finance is not as fixed as the perception of policy makers because they are in actual contact with micro-finance clients. When agency employees discuss this with their micro-finance clients, it is for them an occasion to hear from their clients' difficulties. But I will show in Chapter 6 ('Income') that these are rather rare attitudes by agency employees and that most of them do not talk about how much the women they finance in self-employment earn after they have repaid their credit.

6.4.2 Business as a life project: the idealistic approach

The agencies that appealed to Group 2 respondents are driven by idealism. This is clearly portrayed in the language agency employees use to describe micro-finance, in the way they talk about their work, and in the way they describe the aims of their agencies. The main discourse used by these agencies is that of the desire to create an alternative economy, not based on profit, but on sharing available financial resources. It is also important for these agencies to help people be 'happy', that is, to be happy and fulfilled at work.

And I think well if somebody can... if I can help somebody to run a business, even if it's part time, at this time in their life for example when they've got three children, then that's absolutely fantastic, because that person is developing themselves, they're

developing their ideas. They're showing a good example to their children and maybe when their children go to primary school they can take that business up to another level. (Katie)

In the next interview extract, Jenny both explains that her agency is offering 'alternative' crediting, and complains that they have been stigmatised as operating as a profit making agency:

The primary objective is to use the money for another type of economy, to favour a different economy, which does not exclude a category of the population, which allows everybody to find their space. So there is this aspect of solidarity, and of collectivity is very, very, very important in it. (...) So when we were once called 'economic people' by another non-for-profit organization, it was very perturbing, because for me, we have always been a social organization. (Jenny)

The idealistic approach therefore pursues business support with the objective of making something good for society, of enacting something 'social'. They define themselves through a very strong social, anti profit making, humanist perspective. On several occasions as an interviewer I have felt that asking questions about money or income in to this sort of agency was unwelcome. It was perceived as an attack.

There are tensions within those agencies that have evolved into generalist micro-finance providers. In one instance, the agency was formed to support the creation of not-for-profit agencies. They then started to offer micro-

credit to unemployed people, debating among themselves whether it would still match the agency's aims:

There was always a tension within the agency, because some employees would say 'yes but with the micro-credit we do help people who are unbankable, but their micro-businesses are not not-for-profit, so where is the collective and alternative dimension in these cases since they start up businesses?' (Jenny).

This particular agency created business courses for women only:

So we thought: how could we re-introduce this collective and solidarity dimension in business support? So we asked ourselves all these questions, and then also we have to recognise... there was a funding opportunity at the time... So we thought, we will do something, we will start collective micro-credit for women! (Jenny)

The agency believed that providing finance for women was something 'social', for helping women to enter businesses is, by its nature, both 'social' and 'good'. Also, the employee informed me, there was a funding opportunity. This discourse both comes from, and in turn, feeds policy making at the EU level.

In pragmatic agencies, employees told me the reason they liked their job was that it included a varied set of tasks and that they could meet people. They

always gave me a narrative of their own work history and how they arrived in their current job. However, in idealistic agencies, staff often described their work in term of self-fulfilment. They also mentioned the desire to do something ‘good’, and to help people fulfil their dreams too:

Employee 1:

E: What attracted you in this job?

I: It is very simple, it’s not the salary because I would earn much more at the bank.

E: Yes.

I: Well, it is because it is a job in which you have people saying thank you to you every day. The micro-credit sector makes you feel gratified all the time because thanks to your work, you allow people to get out of unemployment, to live their passion, to self-fulfil themselves... So everyday you have people on the phone who thank you. Each time you sign a credit contract, whenever you announce to someone that (s)he is going to be financed, then it’s an accomplishment for them, as some people sometimes spend years to construct their project. So, we do a wonderful job... There are very few jobs; you are constantly thanked; you play with people’s professional life, and then... also simply because when you talk about your job to other people, they always look at you with this sparkle in their eyes, and they always envy you a little bit. So, it is both the thankfulness and the sensation of doing good. (...) But you do need some sense of militancy to work here. (Kevin)

Employee 2:

So yeah, so at least we can say, ‘Well, these people’s scores have improved with the work that we’ve done’. So therefore you know the work that we’re doing is successful. But yeah, it’s quite hard... (Fiona)

Employee 3:

E: What do you like about your job?

I: I like helping people – disadvantaged people. (Thomas)

Having an impact on other people’s lives is portrayed as something rewarding, stimulating, and self-fulfilling: ‘I like to play with people’s professional life’, or ‘the work we are doing is successful’. As the notion of idealism is portrayed, it is accompanied by a desire to do something ‘good’.

Not matching agencies’ ideologies

In the Introduction, I showed that that whilst policy documents promote micro-finance for women from a utilitarian argument that foregrounds economic growth, agencies often pursue micro-finance from the perspective of help and social solidarity. For them, micro-finance should be accessible to women because women should have the ‘right to’ develop themselves as business owners. In addition to the social aims of micro-finance agencies, there are additional aims of self-development and self-fulfilment.

It is ironic that a micro-finance policy at the EU level, which is seen as a way to reinforce economic revival, is spread most enthusiastically by agency employees who have anti-profit and anti-capitalist perspectives. On the other hand, employees from pragmatic agencies are more cautious as a whole regarding micro-finance than the idealists. I think that this is explicable by the fact that idealism is trapping idealistic employees into a non realistic view of self-employment. It makes them support policies with which they do not agree, but without realising they they do so. The same effect happens with the gender effect: more idealistic agencies are running micro-finance schemes for women only, because they think it it is going to do something good for gender equality. In this regard as well, what they perceive as being gender equal is actually doing more harm to gender equality.

On several occasions, women seeking financial assistance recounted feelings of not ‘fitting’ with an agency where they had first applied for credit. For example, Alexandra had first applied for credit from an idealistic agency. She fulfilled eligibility criteria i.e. she was unemployed, a woman and from an ethnic minority group. However, her credit request was rejected, and she says that she had the impression that it was linked to her personality, that she was too assertive, too self-confident, and that they thought that she did not really need the credit. She had also dressed well, and wanted to appear professional while presenting her credit application. She thinks in retrospect that she did not look ‘desperate’ enough, or ‘poor’ enough to match their

vision of an ideal candidate:

I: For example I missed to get my grant because the day of the defense, I dressed up properly. So maybe the committee thought ‘well if you dress properly you don’t really need a loan’. Things like that. So maybe you are too... and I did not want to look like I am... I am a beggar but I don’t want to look like a beggar. I need this loan, but I don’t look like, you know, I am desperate.

E: Was it one of the criteria to have the loan? To have a business that has social aims?

I: Yes but I don’t know their definition of social responsible or ‘social’. When I was reading the dossiers of the other people... you know they have these little brochures which explain other projects or some of the projects that they have supported, I mean, some of them are like beauty salon, or a hair cutting salon, whatever... And I thought I was going to do fair-trade, I was working with a developing country. So in my opinion I thought that my project was socially responsible. But for them, it was not. Or maybe, in fairness to them, maybe I did not explain it properly.

E: Was that Agency B?

I: Yes.

(Alexandra)

As the quote demonstrates, from her report it was possible to guess of which agency she was talking about. Indeed, just by listening to the reports of interviewees, it was possible to predict with some certainty what agencies they had approached.

6.5 *Conclusions*

Equivocal discourses co-exist at the level of business support, both in policy and practice development. On one side, emphasis is placed on incentives that push women into enterprises, and these incentives are legitimized by discourses on gender equality and by a criticism of inequality in some aspects of employment, in this case, self-employment. On the other side, nothing is done to decrease gender inequalities in self-employment, and rather, women are encouraged to portray ‘prescriptive gender stereotypes’ (Rudman and Glick, 2001), such as appearing unconfident and remaining full time mothers.

These equivocal gender discourses, this contradiction of micro-business support scheme practices, so well identified by Nellson (2007) are also present in gender and diversity discourses in enterprise, and the quest for a new entrepreneur: the female entrepreneur.

Idealistic agencies are a problematic aspect of the field of micro-finance. They are encouraging women to perpetuate their feminised gender choices, by portraying flowery images of a pretend female essence of doing enterprise: the caring, the dreamy entrepreneurs who reject the materialist function of enterprise development, i.e., of gaining of an income. Women manage to survive as self-employed workers but remain among the poorer workers of society and keep facing a gender pay gap in self-employment because of the choices they are encouraged to make. The idealistic approach is problematic within the

landscape of business start-up support. When agencies aim at social aims, usually defined with the terms ‘helping poorer people’, these aims of economic inclusion are not met, and the effects of micro-finance in these cases are very unclear. The idealised goals of micro-finance combined with the gender effects of perceiving women as secondary earners (Siltanen, 1994; Hakim, 2002) have very negative effects on women’s entry into self-employment via micro-finance schemes.

The agencies with a more idealistic approach try to support women micro-business owners, but often gendered choices such as business sectors, the impact of domestic work and unrealistic income expectations are not challenged. Idealistic agencies are not focused on the issue of women’s lack of income because their aim is to help women develop a business as a personally self-fulfilling project, not to earn an income. Likewise, because of their idealistic objective of doing business as a social action, rather than for financial profit, they will naturally finance business ideas that do not find a place to be financed elsewhere, hence businesses such as crafts, well-being, and personal development micro-businesses.

Income levels are not questioned and the fact that they are not challenged is considered by agency employees as unproblematic. Choices are narrated as an intimate part of the self, purely personal and individual, belonging to the deep self of the individual, and which have to be respected.

This chapter has also highlighted the approach of more pragmatic actors in microfinance. The ‘pragmatic’ agencies stress the importance of being cautious in promoting entrepreneurship for everyone, and in particular in taking into consideration the contexts and environment of the person. Pragmatic agencies also have a gendered discourse on female clients: they think that by nature, men and women are different and take for granted that women’s wages are complementary rather than breadwinning (Siltanen, 1994). The self-fulfilment justification is also present in this discourse as one way to justify women’s motivations for entering micro-business but the lack of income is perceived as problematic by some agency employees.

Micro-finance agencies carry dual messages on the agency of gender equality, self-employment rates, and of the sacred, untouchable aspect of women’s individual choices that is also reflected in micro-finance policy makers’ mixed messages. There is a major contradiction in the way idealistic agencies wish to promote self-employment by believing that by doing so they support a different type of business which would not be based on profit.

Idealistic micro-finance agencies are trapped in their ideologies regarding what they think micro-finance can bring in answer to that. Ironically, they do not realise that by supporting micro-finance, they are supporting a capitalist system with which they do not agree. On the other hand, pragmatic agencies are more cautious about self-employment in general and in particular about the micro-finance schemes they offer to their clients.

The same effect happens with gender. Whilst idealistic micro-finance agencies are aiming to do something about gender equality by having women-only micro-finance schemes, the way they do it reinforces gender stereotypes and effects rather than decreasing them.

In the next chapter, I will discuss the problem of incomes and micro-business owners. While micro-finance policy and lobbying talks about job creation, most of the women I interviewed have low or no incomes. Eleven interviewees out of twenty earn less than 300 Euros per month and six of them earn nothing at all from their businesses. In most cases, agency employees are not aware of this problem, and discussion about real incomes is taboo (Johnson and Rogaly, 1999). There are discrepancies between the claimed aims of micro-finance as bringing an income to women and the reality, which is that many women are quite poor or very poor when self-employed and that this weakness of micro-finance for women is hidden or minimized.

7. INCOME

In this chapter I argue that women should not be pushed into self-employment through micro-finance because they are likely to earn very low, or no income. There is a better chance for them to become financially self-sufficient in waged employment than in self-employment. This is for two main reasons. First, self-employed workers are poorer than waged employees (Parker, 2004). Second, the gender factor reinforces the effect of low earning in self-employment, as the gender pay gap is even larger in self-employment than it is in waged employment (Boden, 1999; Leung, 2006; Warren et al., 2001; Burke et al., 2002). Using theories on women's work as providing secondary earning or component wage (Siltanen, 1994), I will explain why one group in my sample (Group 2) has practically no income out of self-employment compared to the other group (Group 1). Bradley (2007) has also shown that men and women's wages have been traditionally shaped around the concept of a masculine breadwinner 'versus' a feminine housewife or secondary earner (Bradley, 2007). We will see that the self-employment sectors and motivations for entering self-employment have an effect on the incomes of these two

groups. Indeed, the group within the sectors of well-being and very small retails earn less income than the group of those who are in graphic design and dental technology.

Despite the high level of interest at policy level in micro-finance and self-employment the data from the interviews show that there is little data on the personal incomes of those who have been in receipt of funding. Indeed – as I have already mentioned in Chapter 2 – in their recent review of micro-finance, Evers and Jung (2007) identify the following question as being largely ignored by policy makers and researchers:

Do clients actually improve their living standards or do they rather become part of the working poor? (Evers et al., 2007, 31)

My research concerns just this question. Of course, with 20 interviews, it is not possible to claim that the data on incomes are generalisable to all women starting up self-employment as a result of governmental incentive schemes programmes. But the fact 17 interviewed women among 20 showed incomes below the national minimal average wage level both in the UK and in Belgium, with 11 of them earning less than £300 per month, suggests that the income levels generated by businesses funded by micro-finance are inadequate for many.

This chapter echoes the work of Marlow (2006) who asked whether the re-

cent attitude of governments to encourage enterprises as a way to tackle social exclusion led to positive outcomes, and in particular for lone mothers. Her answer was that it is very likely that it does not, and that envisaging enterprise incentives schemes (one of them being micro-finance) as a way to reduce social exclusion is having very limited effects. And also that some jobs created as a result are rather poor forms of employment (Marlow, 2006*a*).

Two distinct groups of self-employment practices emerged from my data. In the first group, which I have labelled ‘realistic’ (Group 1), we find women who specifically mention that they want to work, and to work in their field of qualifications (e.g. as graphic and interior designers, or web consultants). In this group, I have identified two subcategories, one with incomes equivalent to the national minimal wage, and one with individuals who are successful in their micro-businesses, even though ‘successful should be taken up with caution as none of these interviewed women so far had pension plans.

In the second group, that I have called ‘idealistic’ (Group 2), we find, more typically, women who are the main carers of their dependent children, or have been so in the past. In this group, we also find women who have interrupted their careers at some point to take on more childcare responsibilities, and centred themselves on their family. For some, it may be that a divorce or important life change has then led them to a micro-finance programme after remaining for too long without a job. It is not a coincidence that 5 out of the 14 agencies also offer support in waged employment (agencies 1, 3, 5, 7,

13), and that micro-finance is one option among others.

This chapter will argue that the emergence of these two groups out of the study overrides expectations of national differences in that the characteristics of micro-businesses in these two groups are not linked to context or geography. Rather, they arise from a range of variables including the reasons for entering self-employment, previous education, and the type of products sold (scalable, non scalable). Previous work status (e.g. being unemployed) does not influence later business viability.

Before discussing the findings, I will first explain why a benchmark for personal income is important, and how I established it for analyses purposes in this dissertation. I will also explain what I mean by ‘non-viable’ and ‘viable’ businesses, and the criteria that I have used to describe these two groups.

7.1 Benchmarking business viability

Before starting this section it is important to remember that the UK and Belgium have different welfare regimes and different attitudes to entrepreneurship: i.e. a ‘liberal’ welfare state versus a ‘social-democratic and conservative-corporatist’ welfare state (Dewilde, 2006). However, contrary to my starting assumptions, the national context regarding welfare regimes and entrepreneurial culture was less influential than expected. Both in the UK and in Belgium, self-employed women shared similar experiences of self-

employment, and this was true for experiences of income levels also.

I use the term ‘Western Europe’ in my research as this label covers the implicated countries for the data collection (Belgium and the UK). I argue that it is possible to apply the locally specific theorization of women’s work from the UK and Belgium to other countries in this region, as women’s experience of waged employment follows similar trends in other Western European countries (Hakim, 2002). My study has shown that there are no major differences in the course of the pathways of female participants in micro-finance schemes between the two countries studied. This suggests that the analysis developed in my PhD could be applied to other Western European countries (e.g. Germany, France, The Netherlands, Switzerland, Ireland, etc.), in which female and male micro-finance scheme participants follow similar life and employment choices to the UK and Belgium.

When I have attempted to evaluate income as part of my research I have looked at it in relation to the time spent at work, and the quality of time spent at home. Incomes should not be the only way to evaluate the outcomes of micro-finance and self-employment from a social point of view (Oughton et al., 2003). However, income levels are a good way to evaluate the viability of the micro-businesses that formed my data set. I assumed that a self-employed person’s salary reflects how the business is doing and therefore the problem became one of how to establish an approach benchmark for viability.

Self-employed women's previous waged employment earnings or benefits vary too much from one country or from one study participant to another, so I have used national minimum wages as a point of reference. When it is necessary, I have also added references to previous employment when discussing some specific self-employed women's situations. For example, when there are exceptions that go well beyond the national minimum wage (e.g. the dental technician).

In the UK, the gross national minimum wage (NMW) for people over 21 is £5.73 per hour or £1022.81 per month, and in Belgium, the gross NMW is 1336 Euros per month (Regnard, 2008). In the UK, income taxes on the NMW represent 11% of the NMW while in Belgium 22%. This does not include social security conditions or tax waivers related to the familial situation. This means that the monthly net NMW is approximately £1021.72 in the UK and 1042.08 Euros in Belgium. Of course, this reference of the NMW is an indication only, as it does not take into account differences or the cost of living in these countries, or the gap between NMW and national average wages.

7.1.1 Estimating personal incomes and making a judgment about viability

Data on self-employment incomes is difficult to collect because self-employment is made up of different types and sources of incomes, expenses and benefits

(Arum and Muller, 2004; Parker, 2004). I have estimated the respondents' personal incomes after deducting business costs, taxes and credit repayment rates. These estimates are based on participants' own accounts regarding their incomes and earnings. In this regard, qualitative interviewing has been useful in establishing the reported income of self-employed women.

The first benchmark of viability is provided by the women in interview when they talk about what their level of income allows them to do, i.e., income is referenced against utility:

[My salary] is just about to satisfy my day to day living requirement. But my quality of, my standard of living has dropped dramatically. And I had to pour out of my reserve of savings. It has definitely affected my sense of security. [Jane: viable business]

I depend on my husband, financially speaking. Because now, all my earnings go straight back in the investments. But once the investments will be paid [8 years], that money will be in my pocket, because I'll still earn the same. Then I'll reduce my working hours... I mean, I can't keep that rhythm all my life, my health does not follow. Then I'll also start my pension fund. [Helen: non-viable business]

In the first extract, we can see that Jane earns enough in self-employment to be able to pay her mortgage and her daily expenses. She explains that her income has diminished and that she earns less than in waged employment but

that she can manage financially without anyone else's financial support. In the second extract, Helen explains that after seven years, her beauty centre is still not viable and that, even though she has a fully booked timetable, she still does not earn an income out of it. She now depends on her husband who is the breadwinner in their household.

Discourses about incomes in self-employment are fragmented and tightly intertwined with business costs and business benefits. Asking in-depth questions and continually adapting these questions according to the interviewees' accounts has revealed data that would have remained invisible otherwise.

In the following two extracts, for example, Rebecca first says that she gains a low salary out of her craft business, and later on she reveals that her husband is actually paying most of the bills and the mortgage costs, and that she contributes a small amount each month to their household living expenses. She then says that she would have had difficulty doing it if she was living on her own:

I: On the whole I manage to pay myself every month.

E: Uh-mh.

I: Not very much. I mean I pay myself the bare minimum that I can get away with in order to live if you like.

Later:

I: He [my husband] does not pay anything towards the business, but he is helpful in that he will pay most of the household bills.

E: Uh-mh.

I: I just contribute a set amount each month.

E: Uh-mh.

I: Had I been alone, it would have been [laughs] a lot harder. I probably would have had to stay down south and lived up home and opened up something down South.

E: Uh-mh.

I: You know, where my parents live...

(Rebecca)

In this other example, Caroline says that she and her associate have managed to pay themselves a salary every month since they opened the business. Later on, she says that she pays the minimum taxes as a self-employed (72 Euros), which means that she has been allowed to earn a maximum of 1500 Euros *per year* from her business:

We have paid each other a salary since we opened. But this month, it will not be possible.

Later:

Right now, I am only paying 72 Euros [per year] because I am a non-taxable self-employed. When we will earn 300 or 400 Euros from the shop, what is not the case yet, dealing with taxes will become more difficult. (Caroline)

It is clear that the respondents are not trying to deceive. Fragmented income narratives are a consequence of having personal and business incomes that are not separated from one another. This results in having self-employed people who find it difficult to articulate how much they earn. There is a fragmentation of both the costs and benefits of self-employment. And, as I will show later, fragmented narratives also make it hard for agencies to be aware of how much their micro-finance clients earn. In policy texts, there is a strong focus on self-employment as ‘work’, but the issue of personal incomes does not appear. Indeed, there is a significant silence on the issue of personal incomes.

7.1.2 *‘Viable’ versus ‘non-viable’ micro-businesses*

As stated above, the data analysis has revealed two very distinct groups of self-employment: a viable one and a non-viable one. Both groups have, as a whole, quite low incomes. However, women in Group 1 have earnings which bring them low but viable incomes (£800-900 per month), whilst women in Group 2 have considerably lower incomes post micro-finance (from 0 to £300) and are financially dependent on other family members (usually a male relative), or to remain on welfare benefits (Belgium only).

I created a table that recorded the profiles of the self-employed women being interviewed, and the different characteristics of their businesses. These

	Group 1: realistic	Group 2: idealistic
Monthly income	£800-900/£1000-1500* (financially independent)	£0*-300 (financially dependent)
Sectors	Communication consultants Web/graphic designers Interior designers Wholesale traders Dental technicians	Craft makers Beauticians/massage therapists Fashion designers Micro-retailers
Motivations	Desire to work Earning an income	Self-fulfilment Having a life change
Qualifications	Linked to businesses Continuation	Not linked to businesses Non-continuation
Gender roles	Non-fixed or 'symmetric'	Traditional
Interviewees	Jane, Kelly, Charlotte Erika, Alexandra, Elie Elisabeth*, Annette*, Amy*	Emily*, Nancy*, Kim*, Rebecca Violet, Julia*, Caroline, Gabrielle Helen*, Amanda*, Lynn

Tab. 7.1: Characteristics of the two incomes groups

tables include information on: career interruptions, financial help from relatives, physical help from relatives for the business, share of domestic and care work, numbers of dependents, status (single, in a partnership, married), and whether they had employees or not. There were several predictors of what group a woman in my research sample would be in: whether there was a match between educational specialisation and business activity or not, motivations for entering self-employment, and the type of business sectors involved. This is a very clear, evident and striking element of the findings, as not a single member of one group shared characteristics with women in the other.

In one case I thought there was an exception in the link between viable in-

comes and education, with interviewee Alexandra running a business in the wholesale and import sector despite having a degree in journalism from the Philippines. However, she revealed that she also had a Masters degree in business and marketing, and that she had done market research on how to import large quantities of mangoes from the Philippines for her final dissertation project, which makes it fully consistent with her business type.

These clear differences between the two groups of self-employed women provide a rough guide to business viability and incomes even before the business creation stage (through motivation, sector choice, link between education and business activity, and regular help from relatives).

My definition of viability is therefore a business that has the capacity to (a) repay any contracted credit, (b) cover business costs (including premises), and business taxes, and (c) ensure a salary to its owner that is equal or higher than the national minimum wage. According to this definition, a viable business is a business that is financially self-sufficient and has the capacity to allow the self-employed person to make ends meet, even if that is with difficulty. In this regard, I have considered as ‘viable’ a business that provides the self-employed person (and dependents if there are dependents) an income allowing them to pay housing expenses (including energy bills), basic living expenses (food, clothing, school expenditures if existing), and in the case of Belgium, appropriate health insurance. None of the 22 interviewees had pension schemes. Two interviewees said that they were thinking to take one

on in the future, and one said selling her house would be her pension rescue plan.

7.2 *Sectorial analysis of incomes*

Micro-business ownership's sectors are segregated by gender (Bradley, 1999 cited in (Marlow and Carter, 2004)) and self-employment supported by micro-finance is no exception to that. Women tend to enter self-employment in low-profitable sectors (Ehlers and Malin, 1998). Likewise, the women I interviewed are self-employed in traditionally feminine and low-profits sectors (small retail and services, crafts, beauty and well-being). The dental technician (Kelly) who has entered sectors of self-employment that challenge gender sectors' segregation has seen her incomes increase after entering self-employment.

The greatest numbers of self-employed people in the EU are in industry, manufacturing, and the construction sectors, which are mostly occupied by self-employed men. The industry sector has 29.9 % women workers in the 27 countries of the EU, while construction is occupied essentially by male workers: 91.9 % (Eurostat, 2008). Construction in particular is characterised by high self-employment ratios. However, when looking at the sectors in which the interviewees work, one can see that they are dominated by business sectors which are dominated by women: 61.7 % for the retail sector, 55.7 %

in the hotel and restaurant sector, 44.6 % in business services, and 51.9 % in financial services (Eurostat, 2008). This means that the average workforce of the whole non-financial business sector (all business sectors except financial services) by gender is 65 % (male) and 35 % (female) (Eurostat, 2008), but when one looks at the types of sectors in which women are starting-up micro-businesses, the disparities in number by gender disappear, and are actually characterized by higher numbers of women in these sectors: 54 %.

The high proportion of self-employed men in some traditionally masculine sectors such as construction means that because there are not many female builders, women are less present in self-employment in general. The average low numbers of women entrepreneurs is therefore, an effect of low numbers of women entrepreneurs in some sectors which are highly masculinised (e.g. construction, manufacture, or industry). Pushing female self-employment in general without focusing on the effect of gender on entrepreneurial sectors will result in opposite effects and increase the number of self-employed women in sectors which are already occupied by more women.

So far, micro-finance for self-employed women has mainly generated women's micro-enterprises in sectors of the economy which are usually not very profitable (micro-services, small retail, crafts), and in which women entrepreneurs are already well represented. They are not numerous in other major self-employment sectors, such as construction, industry, or innovative high technologies. This means that self-employed women are underrepresented in very

specific economic sectors i.e., the profitable areas, and overrepresented in less profitable areas.

7.2.1 *‘Getting an income’ as a primary function of ‘getting a job’.*

Can we realistically call a job a job if one does not receive any income from it? Earning an income is an important aspect of work, and no one would question this from a waged employment perspective. Yet there appears to be a collective policy consciousness that regards women’s work as non-pecuniary. As a woman, it is ‘normal’ not to earn any income out of an activity or work, whether it is about childcare (Rouse and Kitching, 2006; Forsyth, 2000), about taking part in the family business as a helper (Mulholland, 2003; Delphy, 1984), or whether it involves another form of unpaid activity, such as volunteering (Willson, 2000). Women’s paid and unpaid work is more heterogeneous than men’s work, and this also gives way to the possibility of not being paid. Although self-employment is financially difficult for both men and women (Parker, 2004; Wheelock and Baines, 1998) and self-employed men also sacrifice salary, not being paid at work is something that appears less abnormal, less shocking for women than it does for men. There is something socially constructed that associates men with earning a primary salary, and women earning a secondary one (Siltanen, 1994; Bradley, 2007).

Hakim’s Preference Theory partially explains why presumptions into seeing

women's incomes are 'contributory'. Hakim divides female workers into three main groups: 'home-centered women', 'adaptive women', and 'work-centered women' (Hakim, 2002, 435,437). 'Home-centred women' (20% of women) focus on their family lives exclusively and do not take up employment options if they have economic alternatives (e.g., depending instead on breadwinner husbands) (Hakim, 2002). 'Adaptive women' (60%) work in waged employment and are economically independent, but they also fit their employment options around care by, for example, slightly reducing their weekly hours in waged employment, or choosing teaching as an occupation because it fits their children's holidays (Hakim, 2002). This second group of women finds it important to work, but do not make long-term career plans or seek promotions at work: they work but also remained focused around their families. 'Work-centred women' (20 %), usually fit their familial lives around their work, plan a career, and are fully committed to work (Hakim, 2002). Men are work-centred (50 %) and adaptive, but their work lives follow more homogeneous career patterns, which in most cases are based on full-time employment (Hakim, 2002).

Among these three groups of women, Hakim argues that by looking at the previous 'motivations' of these women, it is possible to predict those who will have a career, those who will drop out of the labour market for a relatively long time and become home-centred mothers, and those who will work but adapt their work to their familial lives without making any long term plans.

I use Hakim's work for the three categories she assigns to female workers - not for her explanations about why women are in one category or another. Hakim explains these three category by giving too much importance to the notion of 'choice', as if it was not both socially constructed and affected by official policies in areas such as childcare. If we look at the UK, on average 70 % of women are in waged employment compared to 79 % of men (Office For National Statistics, 2008*a*). However, when it comes to female members of households with children under five, the percentage of women working in waged employment drops to 57 % (Office For National Statistics, 2008*b*). The age of five corresponds in the UK to the age at which children start going to school. The fact that women are 13 % less likely to work in paid employment when they have children under the age of five is not linked to a free choice taken by these women but to the age at which children start going to school in the UK. Women who took an extensive career break when their children were under five are often in the category of home-centred women and have low incomes. However, nothing explains or proves that theses women's career breaks are linked to a free choice.

As a result of that, the term 'preference' is problematic in the way it explains women's employment patterns as if they were fully making these choices knowing that it may lead them to be in precarious situations, as if they had made the conscious choice of their later career, and as if they were therefore to blame for earning lower incomes than men. This goes against feminist

analysis and theories that have demonstrated the role of gender and social construction into gender inequality, including financial inequality between women and men (Delphy, 1984; Delphy and Leonard, 1992; Walby and Olsen, 2004; Marlow, 2003, 2006*a*; Rogaly et al., 1999).

I have then used found Hakim's categories of women's workers useful in the way she classified her data, but not in the way she interprets them, mindful also that her interpretation has been largely criticised (Bruegel, 1996; Crompton and Harris, 1998*a,b*; McRae, 2003; Procter and Padfield, 1999; Kan, 2007).

Hakim's Preference Theory is useful but also controversial in the way it discusses women's employment as choices that they make, and it has been largely contested among feminist economists (Bruegel, 1996; Crompton and Harris, 1998*a,b*; McRae, 2003; Procter and Padfield, 1999; Kan, 2007).

It is not surprising that Hakim's Preference Theory has received vehement criticism in relation to her argument that women make the choice to be 'grateful slaves' (Hakim, 1991). Some have, for example, argued that Hakim's concepts do not work once they are applied empirically (Procter and Padfield, 1999; McRae, 2003), and that 'her argument is curiously static for a sociologist' (Bruegel, 1996, 175). Procter and Padfield (1999) also argue that categorizing women into polarized groups, limits the examination of combinations among these groups, for example, over different periods of time

in their lives. The authors argue that Hakim's theory puts too much emphasis on the role of choice and free agency in how women decide to be home-centred, adaptive or work-centred, accusing Hakim of having 'an inadequate grasp of the nature of choice in human action' (Procter and Padfield, 1999, 160). This view is also shared by McRae (2003) who argues for example that some women after childbirth are constrained to stop working and that there is little space left for free agency or choice. Bruegel (1996) on her side argues with empirical evidence that part-time work is not always voluntary chosen and that many part-timers would 'prefer' to work in full-time employment (Bruegel, 1996).

Crompton and Harris (1998) find the intermediate category of 'adaptive drifters' problematic. They argue that it is rather a way of putting together women who do not fall into the work-centred or home-centred category, and that the disparities of patterns and experiences of this intermediary group is too big to be classified in one group called 'adaptive' (Crompton and Harris, 1998*b*).

Many therefore, believe that the concept of individual choice and of 'preference' in Hakim's categorization of female workers is highly problematic (Bruegel, 1996; Procter and Padfield, 1999; McRae, 2003; Crompton and Harris, 1998*b,a*), and I agree with this critique. It is limiting to talk of preferences when it has been established that gender differences in employment lead to systematic disadvantaging of women, and that everything in soci-

ety encourages women to keep a strong carer role, and enter traditionally feminine occupations.

However, it is possible to use Hakim's Preference Theory to acknowledge the co-existence of individual choice *and* constraints that women face in wage and self-employment (Crompton and Harris, 1998*a*; Broadbridge, 2010; Kan, 2007). This is the position that I have taken in my analysis of self-employed workers – I recognise the existence of choices in the way they decide to enter self-employment, but also that some of these choices are the result of external constraints that are imposed on them because of their gender and/or their ethnic origins. For example, I acknowledge that Alexandra, Annette, and Nancy, who are from ethnic minorities, were pushed into self-employment because they could not find a proper and decent job in waged employment.

Most of Hakim's articles suggest that women are voluntarily seeking to earn low incomes and to be in financially precarious situations, and refers to women as 'grateful slaves' (Hakim, 1991). What is lacking in Hakim's interpretation of her data is a recognition that these low incomes are not deliberately sought. Numerous studies have shown that both indirect and direct gender effects affect women's careers. For example, the fact that the 26.5% gender pay gap in Britain remains partially unexplained and that this wage differential has remained unchanged since the 1990s (Mumford and Smith, 2007) suggests that direct gender discrimination is affecting women's incomes on grounds that they do not choose. By accusing women of being the creators

of their own discrimination, Hakim's results do not match findings (Mumford and Smith, 2007, 2009) on unexplained gender pay differentials.

Hakim's classification of women's working patterns was useful insofar as it offered an interesting insight into similar categories found in the qualitative data used for this thesis, but it was not used to explain why or how these categories function.

Women as women workers who are 'non-breadwinners' are visible in the data from the micro-finance agencies discourses and in the accounts of the self-employed women receiving their services. Secondary earnings also influences policy making at national and European levels. It is perceived as respectable to be a self-employed woman and not to earn anything out of self-employment. Except in some special cases (for example if the self-employed woman is a single mother), this collectively integrated value remains unquestioned as a value in itself. Women are perceived by employees as secondary earners (Siltanen, 1994; Hakim, 2002).

I believe that the effect of the perception of women as secondary earners by others (e.g. agency employees) is corrosive even when the women themselves recognise they are not the main breadwinners in their family. This is because, as I have explained in the previous chapter, not making any money out of their micro-businesses is an ongoing stress, and source of anxiety, in some cases leading to health problems (e.g. Helen, Gabrielle and Nancy).

7.3 *Realistic micro-businesses owners with viable incomes*

7.3.1 *Sectors*

Women in Group 1 have micro-businesses in services, non tangible sectors. In this group, we find interior designers, graphic and web designers, a wholesale trader, a caterer, and a dental technician. The business products of women in Group 1 are ‘scalable’. By this I mean that the caterer can hire staff and take care of several wedding parties together without having to be physically present to each of them at the same time. The graphic and web designers can work on several projects at the same time from a single computer, and use similar techniques or work for different customers. Once their business generates enough income, they can hire employees and the income from employees’ work will create funds to cover their salaries. Women in Group 1 can start hiring different types of staff, and having them working together will increase the benefits of the business. The interior designers can at the same time offer home redecoration services to their customers, whilst simultaneously selling them products that they have retailed, and that they would have to purchase anyway.

In this first group, the women (7 interviewees) earn a salary that is the equivalent of the national minimum wage, (in Belgium, and in the UK) and three earn a salary around £1000 per month after taxes. Most interviewees in that group therefore have an adequate income according to the norm

benchmark even though it is definitely lower than what they could earn in waged employment. However, it represents a viable income and conforms to the criteria of viable income as previously defined.

Interviewees in Group 1 therefore talk of an ‘evolving’ salary, a salary which is not very high, but for which they have hopes to see increase in the future. The next interviewee, for example, an interior designer, feels relatively secure about her salary:

E: do you earn the equivalent of a salary?

I: it’s evolving. Every year, it’s a bit better. It’s evolving quite well. Well, I won’t claim I earn a high salary, because it would not be true. But I must say right now I think it’s OK. After having a baby last year, this year I haven’t stopped yet, I have a lot of work, so honestly I think it is good for now. If it goes on that way I’ll be happy. (Amy)

Amy mentions that in case there is any problem, her partner is there to support her. This interviewee also has an asset for her micro-business: she has inherited her father’s office—he is a retired architect. She also inherited from his lists of suppliers, his professional network and his positive reputation, and this social capital has contributed to her gaining a viable business. Social capital has been recognised as being a very positive asset in self-employment entry and for its later success, even more so than financial capital inherited from families (Dunn, 2000). A study on young self-employed people in the United States has found out that the social capital received from parents,

such as their own business success, has the strongest positive effect on their children's self-employment (Dunn, 2000). By receiving the list of customers, location of her father business, which has now become her own office, Amy has inherited a major asset in starting-up her own micro-business. Her father was an architect, and she is an interior designer. Amy is not working as an architect, but the business and success of her own father could be transferred to her business as an interior designer.

This interviewee is an 'adaptive' (Hakim, 2002) self-employed worker. Amy gives her business an important part in her life. Her business has been facilitated by her own father's success as an architect (office, success, reputation, customers and suppliers lists), and also by the role of her husband as an adaptive waged employee who can work from home when he wants/needs to. Both share domestic tasks, and childcare, and she talks about how both her and her husband juggle their work and their family, house and childcare tasks. The combination of her being in the interior design sector, where products are scalable, of her father's success in self-employment as an architect, and of sharing of childcare and domestic work responsibilities with her partner make this business a viable one, with the potential to grow. So far, her income in self-employment is low (around £900 per month), but not condemned to remain low.

One of the characteristics and major problems of the non viable businesses is not just the fact that they earn no income or very low incomes, but also the

condemnation of remaining low because of a product saturation. In Amy's case, she is in a sector in which her income can potentially grow. This is also the case of the other interior designer interviewed (Elisabeth). The amount of time that spent on her business suggests that she can be an adaptive self-employed woman and yet, earn an income out of her business. Women who were home-centred in the past (Group 2) enter self-employment with the wrong and misleading idea that associates time and pleasure with self-employment.¹ Women in Group 2 enter self-employment with the desire and the dream of doing something that they enjoy as a hobby, such as making hats or giving other people massages, and yet still think that they can keep a rather home-centred type of life. Women in Group 2 do the whole of this a bit by accident, without fully thinking or being aware of what is expected of them by self-employment. Women in group 2 either came across an advertisement in a newspaper and decided to go for it, or they had a conversation with some friends and thought it would be a nice idea to startup a business.

Amy did not enter self-employment by accident, and her relative success has not been accidental either. She has received social capital from her father and shares a house with a partner who is also an adaptive worker. Smeaton (2003) makes a distinction between two categories of self-employed workers: the 'portfolio worker', typically professional, and the 'marginalized worker', who is a victim rather than a winner of a certain brazilianization in the

¹ The preceding chapter has shown that this idea is also channeled through the media effect of micro-finance and policy makers' ideas of micro-finance and self-employment.

labour market (Smeaton, 2003). Baker (2003) comes to similar conclusions and argues for a polarization of female workers, with one group benefiting from the change in the economy, and the other group seeing their employment options and conditions decrease. Amy, by having a business as a interior designer and having re-invested her father's social capital into her business, is a self-employed professional.

Like other women in Group 1 (e.g. Elisabeth and Kelly), her micro-business gives her an opportunity as a self-employed worker out of which she can gain some satisfaction. Women in Group 2 who long for a home-centred profile of self-employment can only be disappointed in self-employment given the low incomes and low amount of time it gives them to do other things outside their work.

Another interviewee in the wholesale sector (Alexandra), has hopes that her salary will increase. In this case, she started up seven years ago, and earns around 800 Euros per month.

It's evolving that's one thing for sure I can say. I would not say that I have made it, I am there, or that there is nothing else to do. It's still a long way. And in fact, I have been doing this as a freelance now, as a self-employed person, and... now, we are passing on to becoming a company. So again, I would not say that I have been there, that it's made... I would rather say that it's evolving positively. (Alexandra)

So, two self-employed woman in Group 1 have salaries that they call satisfactory, and which are above the national minimum income. One interviewee (Kelly) has a higher salary and is clearly happier with her salary in self-employment, than when she was in previous waged employment. She represents an exception in the study, and she is also the only interviewed individual working in a non traditionally feminine business sector: she is a dental technician. Kelly was previously wage-employed as an assistant for someone else. When she was made redundant and then understood that as a wage-employed her occupation would remain low-paid and offer limited possibilities for promotion, she decided to open her own home-based dental technology business. Later, she took a micro-credit to purchase an innovative high-technology machine, and became one of the favoured dental technicians in her area. She also won a prize that she directly re-invested into her business by buying more material. Kelly entered a business sector that was higher profit making potential than the sectors that traditionally attract self-employed women supported by micro-enterprises incentive schemes. In this specific case, entering self-employment has brought this business owner a higher income than when she was wage-employed. Kelly could not say exactly how much she earns, but her narratives show that she earns a higher salary than in previous employment:

I definitely earn more than before. I also care less. I don't know exactly how much I earn now but before I was always counting,

I always had to be careful with the budget: clothes, food, etc. Now, I don't have to count so much. I spoil myself. I go to the restaurant whenever I feel like. (Kelly)

Kelly also bought a house when she was already self-employed, without any other credit than from the bank, which demonstrates that her income is stable and important enough for the bank to give her a credit.

A second interviewee (Elisabeth) who also has an income that is higher than the minimal wage, is an interior designer. This interviewee moved from the category of self-employed people as she previously had a micro-business as a craft and hat maker for five years which she gave up to return to waged employment. This was when, she says, she understood that would never make a living out of this business, even though her hats were selling very well, and 'ended up exporting to about seven or eight countries and selling to about 38 shops in England'. Reflecting over her past business, she says it was not scalable, that no matter how much work and time she would put in it, that she could not gain enough income out of it to make it viable. She says:

So it was very good for a short period of time. But very labour intensive and with skills that could not be transferred. So I knew that the business could only be as big as me, and how much time and energy I could put into it. And it wasn't making me enough money for the energy that I was putting into it. So my hats business continued, and in fact I still do odd exhibitions now. But it's always been for secondary money. (Elisabeth)

She kept the business as a hobby but stopped it as a main employment option as she could not financially live on the business:

It's not my primary source of money because the fashion industry is very fickle, fabrics are very expensive, they are seasonal, so you can't have a year round income. (Elisabeth)

Elisabeth went back into the labour market as a wage-employed, then after a couple of years, she started up a new business in the interior design sector. She developed her interior design consultancy business and very soon started selling customers products that could be sold with the consultancy (curtains, etc.). This meant that the sold product at the end of the consultancy would directly contribute to the business benefits without taking much more effort in terms of time:

So the service itself is a skill service so you pay a premium for that. But then the supply of whatever you suggest and that is going into people's house... that's like a way of making money without the efforts, not the efforts but the... it's not based on labour on an hourly rate. It's something to supply so you are buying furniture and retailing it. So, this is additional income, continually as you put the skills together. (Elisabeth)

Annette, who is from an ethnic minority origin, also repeated being more satisfied with her salary in self-employment. Annette used to work as a

cook in various restaurants in the past and then opened a catering agency. Annette was previously employed in very low-paid jobs, with – as she explains – difficult working conditions. This respondent explained that her employer was constantly watching her, up to the point that she was not even free to go to the bathroom without having a remark made by her boss:

And being independent. You know, I think it can work. Because you know... the working environment, or working for a company they are so controlling, the fact that they want to control what you do, when you have breaks, which I think structure wise has to work that way. But because I am here, if I wanna sit down I sit down, if I wanna get up I get up, if I wanna go to the toilet... I mean when I was there, if I went to the loo when I came back I had a remark 'where is Katherine?'. Come on I am gone to the loo. You know, so all those things that really really used to annoy me. (...) I was really tired of that, and I thought 'You know I am sure I can open my own business and just work for myself. (Annette)

Now that she is her own boss she is more satisfied with self-employment, even though she spends all the time at work. This case is a clear example of a woman who – because of her ethnic minority background– had little chance of going up the employment ladder because of previous ethnic discrimination in the labour market (Fielden et al., 2006; Apitzsch and Kontos, 2003). With few options in waged employment, the self-employed woman with an ethnic minority background finds self-employment more attractive than waged employment. For Annette, being her own boss has meant both respect at work

– such as personally deciding when to take a coffee or toilet breaks and an increase in salary:

It is more satisfying to be self-employed. Financially it does pay off. It can pay off financially as long as you as you plan ahead your road properly. (Annette)

Women in Group 1 claim their reduced income is compensated by the satisfaction that they have at being their own boss. Women in Group 1 also mention that they are optimistic about the future, as their salaries keep improving a bit every year, both with developing business strategies and as they gain business experience. Others, such as the ethnic minority caterer or the dental technician, mention that they are more satisfied by their salary as self-employed than as wage-employed. Before, they earned very low incomes in jobs that offered no opportunity for promotion despite their skills.

Both Group 1 and 2 spend a lot of time at work – this is a natural consequence of self-employed work – and literature on small businesses even talk of ‘self-exploitation’ (Wheelock and Baines, 1998). However, in comparison to businesses in Group 2 which have little chance for expansion given the cost of employees. Group 1 have micro-businesses which earn them enough to make a living. In order to gain more income they would have to add more products, taking some risks and developing business strategies, like the interior designer. The incomes of women in Group 1 are then potentially

increasable, with an limited added investment in time and energy.

7.3.2 *Motivations: 'desire to work', 'earning an income'*

Motivation has a very important effect on the self-employment sectors that women enter and influences what individuals make out of self-employment. For Group 1, the major motivation for entering self-employment is to work in their field.

Women in Group 1 entered self-employment by being 'pushed' (Smeaton, 2003; Hughes, 2003, 2006) into it. They were graphic, interior, or web designers at the beginning of their careers, were young and could not find a job as an employee in their field. Self-employment, supported by micro-finance appeared to them as a good way to find a job. Others, such as the caterer, the wholesale trader or the dental technician were systematically working in low paid positions, and decided to make the move into self-employment as a remedy to these low paid jobs. Two of these are women from ethnic minorities, who had higher education degrees but still could not find jobs at the level of their education and instead got stuck in low paid positions. In these two cases, it was the lack of finding a job other than one at £6 per hour (one case), and not being free to go to the bathroom when she wanted; or to be systematically working as a help desk assistant when she was a trained journalist that pushed these individuals into self-employment.

Women in Group 1 have therefore, found themselves more pushed into self-employment than those in Group 2, for whom self-employment has more been a question of ‘doing something that they liked’, or ‘craving a life change’. Group 2, who have been pulled rather than pushed into self-employment are actually more vulnerable in self-employment and have much lower incomes than Group 1, who were pushed into it.

This therefore, means that being pushed into self-employment is not a factor of success for gaining a viable income out of self-employment, at least for the two business sectors studied in the context of this PhD thesis.

In Group 1, women created their own jobs as self-employed workers because they wanted both to gain more independence at work and because they were qualified in sectors in which the self-employment status predominates, as well as in which wage work is rare (e.g. graphic designer, web designer, dental technician):

I got my degree, I was looking for a job, but it was really not easy in the field, so I just thought ‘Why not?’ It was more a requirement of the sector [graphic design]. (Charlotte)

Women in Group 1 started up their businesses because they wanted to work, and because they wanted to be able to work in the occupation for which they studied. Others could not find a job that was equivalent to their level of education. This concerns migrant women with degrees from outside the

EU. For Alexandra, ‘when you look for a job, if you have a diploma from a developing country, you are already minus ten points’.

I: So I was a journalist... well, back in the Philippines I was a journalist, and then I moved here, and then when I moved here I had to look for other jobs, other than a journalist because I don’t speak French, I don’t write French, I don’t speak Dutch, I don’t write Dutch. And for the Anglophone media I am not Anglophone enough. I am not from Canada or Australia or from he... whatever. So, then it was difficult to find a job as an Anglophone journalist. And then you try to find your little place, so... I have worked as a secretary, I have worked as a teacher, I have worked at the Philippine Embassy. And I wanted to go to Solvay [business school] because I did not have a marketing background.

E: And you wanted to have that?

I: I wanted to have that because even when I was working with the multinational, I was not doing journalism work. I was doing administrative work in a marketing department. So I thought that marketing, that a marketing school would help me. But the other reason was that the recognition of diplomas was in some countries... not easy. I mean, Europe, or Belgium does not recognise all diplomas... And when you look for a job, if you have a diploma from a developing country, you are already minus ten points. So... I wanted to have a Belgian diploma but I did not want to go for a four years course and I don’t think I needed that. I just needed a background, and I thought that this Business School was the key to finding another job, until the day that I created my own job. (Alexandra)

These motivational factors show that necessity, although it is a push factor for self-employment, is not a negative motivation for getting a viable income out of self-employment. This challenges the assumption that ‘push’

factors automatically create higher risk in relation to self-employment in the micro-finance sector. Necessity can constitute a positive push factor of self-employment, as it can be a negative one.

Women in Group 1 also mentioned being attracted to self-employment because of the stereotypical entrepreneurial motivations of the independent worker (Parker, 2004): ‘challenge’, ‘being their own boss’, and ‘making money’:

I think the motivation that I had, starting up on my own, is very much: I wanted to do things my way, I wanted to challenge myself. And I wanted to make the decisions that would drive the business forward, which I was not doing in the previous job.
(Jane)

Women in Group 1 went into business because they wanted to work, and because they were attracted by the characteristics of the self-employment status. It is likely that without agencies’ support, they would have entered self-employment anyway. Women in Group 1 would have done this with previous savings or by applying to a bank for a credit with one of their family member as a guarantor, or they would have relied on a family member to lend them this money.

This data suggests the existence of a ‘realistic’ group of women entrepreneurs, whose entry into self-employment is not motivated by a desire to change their

life or a quest for self-fulfilment, but by a desire to work in their field and earn an income. Women in this group therefore express a pragmatic/realistic discourse on self-employment. The desire of their working profile is either adaptive or work-centred (Hakim, 2002), and this is reflected in their incomes and satisfaction in self-employment. By looking at the motivation of these respondents, it is possible to predict what their micro-business outcomes will be.

Indeed, the respondents spontaneously repeat that passion is not enough to start a company. Like the other members of Group 1, Alexandra has a degree in a subject which is directly related to the business sector that she has entered (in this case, importing wholesale foreign products into Europe). Her motivation was not a search for self-fulfilment, but a desire to work and put into practice knowledge that she acquired at university:

On top of passion you have to be realistic about your figures. And that's one thing which makes me very nervous because when you run a business it's not only having fun at running it. The bottom line is whether your figures are positive or not. So after all the lessons learned, which I have to pay myself, because I'm the one running the show and it's my company, I would like to think that this should help me improve my operation. I would like to think that I can continue doing this for as long as I want, not for as long as is needed. And I would like to think that it could grow. Grow in a sense that it earns benefits. (Alexandra) (my emphasis).

What matters to women in Group 1 is to be financially independent, and that the business creates an income. For Alexandra, it is even a matter of continuously asking yourself whether it is 'still worth it', whether the figures follow, as she repeats all the way through the interview:

So you assume an attitude of 'What's the next solution?'. You cannot self-pity anymore. You have to be realistic with your resources. So whether your resources are really positive financially and on a personal level, you have to ask yourself whether it's still worth doing it. (Alexandra)

For Erika, earning an income is the primary objective of self-employment. She wants to earn as much as in previous waged employment, and it also matters to her to earn at least as much as her husband, if possible even more.

So I told myself 'I'll force myself to have good habits and my objective is to earn a living, to be totally autonomous, and to earn as much money as my husband.' Except that my husband has just changed job and earns more than me now. It kind of gets on my nerves. (Erika)

Erika makes a clear value statement regarding women and education and work: 'if girls go to school, it is not for them to stay home and spend all their time on childcare'.

7.3.3 *Unfixed gender dynamics*

Women in Group 1 do not have as many children as women in Group 2. Five have only one child, four have no children and the highest number of children is three – but in this case the woman’s husband takes full responsibility for childcare and domestic work.

The women in Group 1 also experience a more equal share of domestic work between themselves and their partners. This is clearly an indirect effect of business viability, as they have more time for their business than women in Group 2. For women in Group 1, self-employment has started in their early or late twenties, while for Group 2, self-employment has started rather in their early or late thirties, after having a first career cycle, or a work interruption.

Women in Group 1 are either ‘adaptive’ or ‘work-centred’ self-employed workers (Hakim, 2002). Their understanding of breadwinning or co-breadwinning is that of sharing it with their spouses/partners, and in these cases, partners and spouses also take on a heavier share of tasks than those in Group 2. Women in Group 1 are more satisfied in self-employment than women in Group 2, because their experience of self-employment better matches their desire to have a adaptive or work-centred life. These women are resisting the most common ideas and stereotypes portrayed by micro-finance at the moment which portray the possibility of both being self-employed and being a home-centred woman, by at the same time doing something that they like.

This possibility self-employment myth, for in reality, self-employment and earning an income out of it is not compatible with the home-centred model. In some cases women have been in conflict with this gendered model of micro-financing, like for example, Alexandra, who decided to change agency and look for funding from somewhere else. In other cases, women have been very critical about it, for example, when Erika keeps repeating in the interview how she keeps being reminded everywhere that she is a woman, and as a woman, these are certain ways to run business and to take care of her family. In other more exceptional cases, women have been supported in their choices of not following the constructed and idealised image of the female self-employed worker who has purchased a micro-credit to start up her micro-business. This has been the case with Kelly, the dental technician who was encouraged to start up a micro-business in a male-dominated sector.

There is an automatic association in the social world between male and breadwinner and female and secondary earner, and/or carer (Warren, 2007), ‘home-centred’ (Hakim, 2002). The last century has seen some very important changes in the way men and women negotiate the working sphere and yet dichotomies between feminine and masculine and carer (home-centred) and breadwinner (work-centred) remain in people’s mind as the norm. Micro-finance and self-employment have been the seat of this persisting dichotomy, and there are reasons to suggest that these dichotomies are stronger in self-employment than in waged employment, which is more restricted by external

regulations and legislations.

In the next section, we will see the effects of these dichotomies on the incomes of another group of women, who identify themselves with the female home-centred worker model. However, we will see in the following chapter that in practice and reality, they actually tend to spend more time at work because of the financial difficulties linked to their business product.

7.4 Group 2: very low or no incomes

In this group, the women have started up businesses as massage therapists, beauticians, craft workers, hat makers, creators of decorated objects, light makers or organic bakers. They entered self-employment in sectors that had nothing or little to do with their degrees and all women in this group do possess higher education degrees, and were in well-paid jobs in the past.

In Group 2 (12 interviewees), the women have incomes so low that none of them can make a living from their businesses. At best, self-employment brings them £200 or £300 per month and the women often cite themselves as disillusioned. In other cases, their business incomes cover business costs and credit repayments, but do not bring the self-employed person an income. This group is more dissatisfied with self-employment than Group 1. They are disappointed. They entered self-employment in a quest for self-fulfilment and were not aware of the sacrifices and difficulties that would need to be

made. They are also physically exhausted, and suffer from stress due to the financial worries or anxieties of bankruptcy.

Helen, for example, who runs a business in the well-being and beauty sector, works 55-60 hours a week, and takes hardly any holidays: ‘a few days off here and there’. She says that she has had health problems appearing as a result of excessive work:

I depend on him [my husband], financially speaking. Because now, all my earnings go straight back in the loan. But once the investments will be paid [8 years], that money will be in my pocket, because I’ll still earn the same. Then I’ll reduce my working hours... I mean, I can’t keep that rhythm all my life, my health does not follow. Then I’ll also start my pension fund.
(Helen)

Helen’s business – on the surface – is successful. She is fully booked and cannot physically perform more treatments and insert more clients into her daily schedule. Yet these earnings are not enough to cover all her costs, repay the credit, and pay herself. She once hired an employee, but employee costs were higher than the earnings generated by an extra worker in the business so she could not keep her:

At some point I started to do some anti-cellulite treatment that became too successful. I mean, it was so successful that I did not have enough time to do other things. So my clients were

complaining... ‘hey, and my hair removal, and my facial, when will you do it?’ etc. So, I had to take a decision. I thought, what shall I do? Shall I expand? Shall I hire someone? Well, maybe we should never have done that, but then, we expanded, I hired someone. Well, it was a tremendous success! Really.

But then, when you are still repaying an important credit, the cost of an employee’s salary is financially too heavy, and despite the success, the business literally sunk. So, I had to fire her. And get back on my two feet. All the investment gained from her work went into her salary. And I never managed to rise up the way I wanted to. Well, it was quite an experience, but I know I will never hire someone ever again. I have been vaccinated! Besides, all the paperwork, it’s a nightmare. Only to hire her, gosh, so many complications. Frankly, no, I will never do this experience again. (Helen)

Sometimes worries about money were expressed in ways other than words. Caroline answered the questions in the interview, and at the end, the postman delivered her letters and bills and she opened these in front of me. She then started to tell me, ‘you know, it is OK, except this’ and she showed me the bills she could not pay.

7.4.1 *Motivations: ‘quest for self-fulfilment’, ‘life change’*

The sectors represented by Group 2 respondents are beauty, well-being, crafts, and very small retail. At the micro-sector level we have seen the difficulties of ‘scaling up’ these businesses since craft workers’ or massage therapists’ earnings are directly determined by the time they spend on the treatment or composing the craft work. Businesses in Group 2 are charac-

terised by an absence of any link between the education of the self-employed women and their business occupations. Although several have university degrees, they chose to enter low-skill sectors unrelated to their education. Unlike in Group 1, there is little continuation between their current jobs as self-employed workers and their previous occupations. This pattern is confirmed by studies that state that women business owners are less likely to start up businesses in fields in which they have previous experience (Marlow, 2006*a*).

In Group 2, the motivation is the quest for self-fulfilment which they hope to obtain from self-employment. They pepper their accounts with comments such as: ‘I wanted to do something that I really liked.’ or ‘How has everything started? A passion. A dream. It has always been my dream.’

Many women in Group 2 idealised self-employment before they entered it, and were not fully aware of all the implications before starting up their businesses. Their desire to be happy at work and to create a change in their lives have made their image of self-employment brighter than it actually is. Some women showed a remarkable lack of thought and planning in respect to their choice to be self-employed. For example, Fiona explained that she came across an advertisement for a micro-finance programme by chance, through reading a newspaper. She called the number in the advert and decided to ‘give it a go’.

Another respondent explained how she decided to start up a children's bookshop with a friend of hers. They were chatting over a coffee, when she told her friend:

‘You know my dream is to open up a children bookstore’. You know, with some workshops for children, etc. It could be really nice to do that. And then she [her friend] said: ‘Oh, it is exactly the type of things that I would like to do as well.’ (Caroline)

Women in Group 2 do not talk of earning a living as a motivation for entering self-employment. In this group, six women out of the 12 have higher education degrees. One was previously an architect, two were teachers, one was a nurse, and one studied administration. Their motivation in self-employment has come out of a desire for a big life change or to have a completely new life: it is a quest for self-fulfilment. They were for example, doing craft work in the evening as a hobby, and decided to quit their job and start it up as a full time self-employment activity. Alternatively, they were still working in full time self-employment, and decided to open up a small shop, or a beauty centre. As was the case with Caroline, who worked as a teacher.

Amanda worked as an architect for eight years until the birth of her child. She then expressed a desire for fulfilment, to ‘find herself’ – even though she needs more money than her business provides. She says that being financially dependent on her new partner makes her very anxious, but at no point in

the interview does she thinks that financial consideration comes before self-fulfilment.

I stopped working [for three years] because I was pregnant, and because I decided to look after my child. Then I did not really feel like working as an architect anymore. I was not interested. I wanted to find myself another dimension. Then I followed these personal development courses, and found what I was made for. I was missing this dimension of... I really found what I was made for. I was lucky to have a partner who could pay me these courses as I had no money. So he 'sponsored' me, in a way. (Amanda)

Kim is a nurse and has been approached twice by a local hospital looking for nurses. In this case as well, she explains herself by saying that she 'was looking for another dimension':

I did not feel I could do this job anymore. I have always been active... in painting and so on. So I was looking for something that was satisfying to do. (Kim)

In the following extract for example, an employee explains that one of her clients who was a lawyer decided to become a life coach:

So I think for various reasons, but a lot of it is they're in charge of their own destiny you know and just be happy in what they're doing and doing something they want to do. Cause as I say one

lawyer, she went from lawyer, for years that's all she'd ever done and she was in her early 50s, to a life coach. What a change you know a big... big change there, retrained, did all that, you know... I don't know how she's doing now, but... (Holly)

Previous work and career interruptions

Group 2 also includes women who remained outside the labour market for several years and sidelined their career at the birth of their first or second child. Some women in this group approached self-employment after a divorce or other unexpected event in their lives. In these cases, the women have spent a reduced number of years in the labour market and have a major gap in their career path in a crucial career development phase, (in their early thirties) which has negatively interfered with their earnings growth and career development (Cox, 1984; Kunze, 2005; Manning and Swaffield, 2008; Arun et al., 2004; Light and Ureta, 1995).

Clearly, by making these choices they embark on less prestigious occupations than those for which they studied and those that they had before. For some, it might correspond to a career break (linked to maternity leave like in the case of the architect, and a loss of employability). For others, these career changes decisions occur in parallel to the appearance of children, like for Caroline, the bookseller.

Women in Group 2 have a history of being a home-centred worker and of

long-term work interruptions. They have chosen self-employment for reasons that are not linked to their businesses, but are either linked to their personal lives, or to a growing desire to be self-fulfilled. Entering self-employment with the idea of having more time for their family, and being able to combine breadwinning work and care work is a wrong idea about self-employment, for rather, self-employment makes it very difficult to combine these two (Rouse and Kitching, 2006; Pearson and Watson, 1997; Marlow, 2003, 2006*b*; Smeaton, 2003). We have seen in the previous chapter that this myth is often promulgated by the media, policy makers, and some agencies. Agencies which are realistic and pragmatic about self-employment do not have any difficulties in seeing that this myth is problematic, but those who have a more romantic vision of gender roles are not helpful in questioning and dismantling the home-centred identity of women who start up a micro-business for the wrong reasons.

By looking at these reasons and motivations for entering self-employment, it is possible to avoid the later problems of lack of income and bankruptcy. Preference Theory has shown that by looking at groups of women – who are more heterogeneous in work patterns than men are – and their aspiration at work (being home-centred, adaptive or work-centred), it is possible to predict what their future career positions will be (Hakim, 2002). I have shown in this chapter that it is also possible to do the same with self-employed workers financed by micro-finance schemes. There is an even greater dif-

ference in self-employment than in waged employment, with micro-finance being a particularly fertile site for encouraging the reinforcement of this pattern. Indeed, micro-finance with its not-for-profit making aims, tends to give priority and support to people who will have particularly low incomes. It is natural that there is a substantially large group of women with low or no savings that 'end up' in micro-finance schemes, starting-up micro-businesses that are not profit generating. I have shown in the previous chapter that they are clearly two different ways of doing micro-finance. On one hand we have agencies whose aim is to support local business development and who are very pragmatic about how to lend money to people, and to women to do that. In these cases, they do not fall into the trap of gender myth and self-employment myths. The businesses run by the women that they support tend, as a whole, to be viable, with adaptive and work-centred women running them.

A second type of agency includes micro-finance for other reasons, for example, with the aim of creating social inclusion, or gender equality, and with the aim of doing something good for society. This gives way to drifts of good intentions, such as financing businesses that are already predictable in advance of not earning incomes, in non-for-profit sectors. I argue that it is because employees from agencies believe that the women they support are not particularly interested in earning an income out of it that they still support these types of businesses, and claim the right to do so. In these case micro-

credits are repaid, but salaries not created. The previously home-centred women who have entered self-employment for the wrong reasons become a ‘marginalised group’ (Smeaton, 2003) of self-employed workers who do not benefit from micro-finance as was hoped by the agencies.

From an income point of view, I recommend that micro-finance should certainly not be undertaken with the intention of enacting a different sort of business and of questioning our current economic system. It should be done with the clear vision that if a business is financed via this scheme it is with the expectation of it generating an income for those who have created it. If the women in Group 2 turn to micro-finance schemes, and are eligible to have access to them, it means that they have low or no incomes, and that in most cases they are on welfare. This means that there is not much space left, given their financial constraints, to afford to run businesses out of which they do not earn any income. If they were, they would finance themselves and not bother go through a micro-finance scheme. There is nothing wrong about deciding to run a business in fields which are not profit making, but while this should not be done through micro-finance, neither should it be so strongly gendered.

7.5 *Conclusions*

In my sample, self-employment supported by micro-enterprise incentive schemes has created two self-employment groups. A realistic pragmatic group of micro-entrepreneurs, who would have entered self-employment anyway, with few chances of getting a job in the field for which they specialised in higher education, has used support agencies as an opportunity for achieving their career goals. A second group of idealistic entrepreneurs, for which earning an income is not expressed as a priority, has seen business support and micro-finance as a chance for fulfilling a childhood dream, a quest for self-fulfilment, or an occasion by which to operate a severe career or life change.

This fundamental difference in motivation leads to different ways of (1) perceiving self-employment (realism or idealism), of (2) making specific sectorial choices in self-employment entries, of (3) generating incomes out of self-employment, and leads to (4) different gender dynamics: unfixed for Group 1 and traditional for Group 2.

If we interpreted this situation in accordance with theories on the polarised experiences of women's work, we would see a group of women who have taken advantage of changing labour market opportunities and have reduced the impact of gender dynamics on their own lives, whilst the other group experiences reinforce inequalities in the labour market (Gill and Bakker, 2003). Women in Group 1 all expressed both the necessity and the desire to earn a

living and demonstrate clear business decisions that lead them to these goals (such as sectors and products choices and accepting help from relatives). In contrast, members of Group 2 expressed feelings of anxiety due to their financial dependence on someone else. However, they justified the continuation of their businesses – despite the lack of money – by stating that they did not enter self-employment ‘for the money’, and that pecuniary motivations had never been part of their plans.

Income is an important perspective of the outcome of micro-finance initiatives for women and formed a large part of their discussions with me. However, the question of income is largely absent from micro-finance agencies and policy documents. Agencies either say that they do not know about it or that they do not ask questions about income because it is ‘taboo’. And they are right about that, income and money are intimate topics that are sometimes associated with feelings of embarrassment and shame (Johnson and Rogaly, 1999). Collecting data on sensitive subjects takes time and care. It is efficient only when study participants feel at ease, comfortable and in a relationship of trust with the person with whom they share the intimate details of their lives (Corbin and Morse, 2003; Haggerty, 2004). Being linked to someone by way of a credit that needs repaying – meaning having debts towards an agency – is not the most favourable environment for being at ease. It is therefore, unavoidable that micro-finance clients find it difficult or do not talk spontaneously about their incomes to their credit providers and that

the taboo is therefore, reinforced.

Viable businesses owners (Group 1) have expressed a strong desire for economic independence. They expect some reliability from the marriage or familial bounds that link them to their close male relatives, and welcome their financial support in case of some unusual necessity. However, they also see themselves as co-breadwinners or main breadwinners, and repeatedly mention that it is natural not to let their male relatives be responsible for generating the household incomes instead of themselves. From a job creation perspective, Group 2 has not benefited from self-employment as it has resulted in them being equally or more financially dependent than before becoming self-employed, dependent either on male relatives, or on welfare.

The viable group and their male relatives also demonstrate more progressive views of gender equality. This is, for example, viewed in their accounts through the way they (them and their spouses and partners) share domestic and care work in their households. Similarly, they argue that their incomes are as important as their spouses' or partners' incomes. These discourses are not held by the second group of self-employed women, who tend to portray essentialist discourses on their identities as mothers or wives. This suggests that the polarisation of female self-employed workers also finds its roots in (or is a consequence of) the way self-employed women and their male relatives perform gender roles and to what extent, or not, they are faithful to traditional gender systems.

There is also a link between the choice of sectors, the absence or presence of incomes of these two groups of self-employed women, and how they perceive themselves as working individuals. This is reflected in the way they act according to their perceptions as individuals and keep making life choices in and outside the realm of self-employment. Women who perceive themselves as individual breadwinners but who can potentially rely on other family members in times of need, show stronger chances of remaining financially independent throughout their lives, and to actively engage in actions that lead them to secure this status. Those who portray more essentialist discourses regarding gender roles are more likely not to question them and consequently act on their position as financially dependent individuals, even if they actually spend as much or more time at work than those who are financially independent.

Motivation is a definite factor in predicting the viability and income generation of micro-businesses in the service sectors of graphic design, communication consultancy, the very small retail sector, and the crafts and well-being sectors. It also shows that individuals who modify the traditional gender roles of males as breadwinners and women as secondary wage earners in their working and personal lives have higher chances of earning a viable income in their career as self-employed workers than those who do not.

Micro-business incentive schemes have helped women in Group 1 to enter a career path that they would have followed anyway, by using other available resources. Group 2 has entered self-employment with motivations that have

led them to earn very low or no incomes. These choices are negative motivational factors because they correspond to an urge for a change of lifestyle or a search for self-fulfilment that self-employment has ultimately not managed to fulfil.

For Group 1, the well-planned choice of entering self-employment takes place in parallel to their gaining an income out of their business ownership. Although the findings show that these incomes are often low (in most of the cases equivalent to or barely above the national minimum wage for both countries), they are still a source of financial independence for these self-employed individuals. For Group 2, however, the study reveals that they have no or very little income (between 0 and 150 Euros or Pounds per month), even when in full time self-employment. This results in them being ‘secretly’ financially dependent on other family members (in most of the cases, a male relative, and frequently, a husband), or on benefits drawn from welfare state.

The next chapter will look at time spent in self-employment. We will see that the role of helpers also contributes to better incomes in self-employment, and that Group 1 benefit more from this than do Group 2.

8. TIME

8.1 Introduction

In this chapter I argue that time is gendered (Bryson, 2007), and that it has a negative impact on women's self-employment. Because of gendered social roles, women find self-employment particularly challenging – they have less time for their businesses by taking on more domestic and care work, and they also receive less help and therefore, less time from helpers (Mulholland, 2003). I will show how time is an issue for the women I interviewed, and then why self-employment is easier for those women who receive more help from other family members than those who do not. The interviews showed that where there is a sharing of care and domestic work in the household, women have more time to insert into their businesses, their incomes are more viable, and their financial independence increases.

Business sectors interfere with time. Some sectors ask for more time than others. Some sectors allow for time efficiency that others do not (i.e., non-tangible versus tangible products that require a lot of manual work). I also

speculate that women in my study with very low or no incomes end up taking on more domestic tasks to 'compensate' for their lower financial contribution in their household income. Women in Group 1 are in sectors which render possible the multiplication of their working time by staying on their own and remaining solo entrepreneurs (e.g. interior or graphic design). This allows them a higher income and they take on less domestic and care work and share more familial work with their partners and spouses than do women in Group 2.

By looking at how busy self-employed people are in general, and how busy are even those self-employed women who follow some of the traditional gender patterns (in terms of sector types, and domestic workload), I will show how it is not a wise idea to promote self-employment for women with typically 'feminine temporalities' (Bryson, 2007). Earning an income through self-employment requires more time than it does in waged employment. I will also show that there is a distinction between two types of sectors, which again, reinforces the argument that there are strong intra group differences in self-employment between women themselves. Group 1 in the sectors of intangible products such as graphic or web designers, have more possibilities to capitalise and replicate their working time than women in Group 2 who work with tangible types of products that are more labour intensive and can only be duplicated by hiring other hands (crafts or beauty treatment for example). This tells us that sectors themselves affect the temporality of the

type of work of the self-employed women who were interviewed for my study.

First, I will present the assumption that self-employment offers a positive alternative for women's working time. Then, I will look at the time that the interviewed women spend in self-employment, and in domestic work outside self-employment, and the link between time bargaining and business viability. Following this, I will examine the impact of 'helpers' in business viability.

8.2 *Gender equality and arguments about time*

At the time of writing this chapter I had just returned from a conference in Amsterdam on women's participation in the labour market. This conference was organized and financed by the Dutch government. According to the conference organizers, 80 % of women in The Netherlands work part time and this represents a threat for the future financing of the current babyboomers' pensions schemes (Taskforce Deeltijdplus, 2009). It was argued that increasing women's time in the paid labour market would increase tax contributions of the general working population, and provide for the financing of retired workers. It was clear to see that, in this conference, as it is in relation to micro-finance initiatives, the utilitarian argument (Ahl, 2006) was being used to justify the need for gender equality of time spent in waged employment, rather than promoting gender equality because it is fair, that is, as a 'social justice' argument (Perriton, 2009). Equality is on the table – but not all

aspects of equality are covered. Equality is tackled on a quantitative basis (equal numbers of men and women at work, in enterprises, in the government), but not qualitatively, where we are concerned about the type of work, the type of enterprise, or the type of government post.

A major obstacle that the utilitarian argument has to negotiate when it calls for ‘more’ or ‘greater’ involvement in the labour market is time. Time was a key preoccupation of the Dutch conference but in a contradictory way. On one side it was argued that Dutch women are still responsible for the greater position of domestic and childcare work and, as an answer to that, men had to be more involved in the unpaid production of public goods (reproduction) in the private sphere (Chichilnisky, 2008). On the other hand, debates also arose on how to make women’s working schedules more flexible than they already are. Thinking of gender equality in terms of women’s flexibility at work does not question traditional gender roles, but tries to fit working hours around caring responsibilities. It tries to work on gender equality by keeping women within the home-centred model (Hakim, 2002), which – as we have seen in the previous chapter -is simply not compatible with earning a viable income. It is even less compatible with earning a breadwinning income (Siltanen, 1994; Warren, 2007). Such views do not look at ‘task sharing’ between men and women, but at ‘task combining’ of women only. As we have seen in Chapter 2, the shift from sharing to combining has been visible in the policy discourse of the European Union over the last 30 years

(Stratigaki, 2004).

The work/flexibility debate implies the assumption of keeping traditional gender roles segregated and organizing paid work arrangements around existing care and domestic work in the private sphere. Flexibility is thought of as a way to stretch out this working time, while on average, women spend less time on leisure and spend at least two more hours working per week (taking into account both paid work and domestic and care work) than men (Elchardus and Glorieux, 1994). To date, women's increasing paid work in the labour market has not been reflected in the increasing participation of men into domestic and care work in the private sphere (Sayer, 2005). Women's time is a stretchable entity, and negotiations take place – not around the concept of a redistribution of time – but around a fragmentation and adaptation of women's time in paid work. Women's work and women's time are both far more heterogeneous than men's work and time, which is based on the full-time breadwinning model (Hakim, 2002).

The former Minister for Women and Equality in the previous UK administration, Harriet Harman, has used the same discourse in the past when talking about women and self-employment. She praised *entrepreneurship*¹ as an ideal way to combine work life balance. She argued:

¹ I have italicized the word 'entrepreneurship' because it is usually the one which is used in political discourse, while the type of support they mention is targeting micro-business creation.

Mothers often tear their hair out trying to balance earning a living with bringing up their children, and need more flexibility from their work. Setting up their own business can be the solution. (Harman, 2008)

Starting-up a business is probably the worst solution that could be suggested to solve the care-work difficulties faced by men and women because self-employed workers spend more time at work than do wage employed workers (Parker, 2004).

Looking at time is of interest in the context of micro-finance because there is an assumption at the policy level that self-employment increases flexibility at work for women. I will show this is not the case. Micro-finance, as is the case for other policies trying to change women's work, tries to change women's work, but by keeping the fixed gender category of the home-centred model for women. The problem of micro-finance lies here, and only by changing these assigned gender categories can gender equality move forward.

8.3 *Work flexibility?*

There is a popular belief that self-employment is one way to facilitate the 'fragmentation' of women's time, rendering possible the combination of both care work and employment (Rouse and Kitching, 2006; Pearson and Watson, 1997; Harding, 2000; Marlow, 2003; Smeaton, 2003; Marlow, 2006a). This

view is common in policy literature, in which self-employment is promoted for women as a way to combine family responsibilities with work. There is however a unanimity in the academic literature that self-employment makes it more difficult to combine family and care work than waged employment (Rouse and Kitching, 2006; Forsyth, 2000; Fielden et al., 2006; Underwood, 2006; Pearson and Watson, 1997; Harding, 2000; Marlow, 2003; Wilson et al., 2004; Smeaton, 2003; Apitzsch and Kontos, 2003; Oughton et al., 2003; Carter et al., 2001).

This assumption is also evident in the micro-finance agencies. Ten of the agency employees I interviewed do not perceive self-employment as an obstacle in ‘combining working and family life’. Holly, from one of the idealistic agencies, was clear that childcare was not a barrier to business development if the woman wished to go to the required lengths to ‘fragment’ time:

In terms of self-employment I think actually... and I saying this, for the women we’ve met, childcare isn’t a problem, they will sort it. Again depending on their attitude. Sometimes the childcare, it’s like, ‘Well I’ve got my children so I can’t do the work then and I can’t do it...’ Well do it in the middle of the night or it depends how much you want that business. And certainly from what’s come through the door it’s depended on how much they really want to do that business. (Holly)

Most agency employees – just as they do not like to discuss income – also don’t like to broaden the subject of shared domestic work.

However, some agency employees did see time as a problem. Kevin's working practice is not to give a micro-credit to business projects where the business owner will remain responsible for childcare:

You know, speaking of women, there is a lot of women with kids, who for example have three children. And the person would like for example to start up a bookstore. But who will look after the children while mummy is working? If there is no solution for valuable childcare, then we won't finance it. Because we know, by experience, that there are very strong chances that after 6 months it will be a familial drama, that nothing will be functioning, and that the person will have to stop her business and stay with the created debts. Here I talk about the example of mothers, because it is a common example. So we tell them: 'it is not the right time. You may think of starting it up when your children are older. But right now, it will not be possible.' (Kevin)

This quote discusses parental responsibility as being an obstacle to business-start up, but takes it for granted that mothers are the only ones responsible for it. It automatically associates childcare with motherhood, as if the issue of childcare was a women's issue only. So even though Kevin has identified childcare as a problem in business start-up and self-employment, his discourse reinforces the automatic association of childcare being reserved for women.

8.4 *Time spent at work*

Self-employed workers work more hours than other workers, and their pay in relation to these hours of work is proportionally lower than in waged employment (Parker, 2004; Verheul et al., 2009; Hyytinen and Ruuskanen, 2007). Twenty percent of the difference in time between wage and self-employed workers is explained by extra work over the the weekend (Hyytinen and Ruuskanen, 2007). Also, self-employed workers spend less time on leisure, and are less likely to be absent from work when they are sick (Hyytinen and Ruuskanen, 2007). This was the case with the self-employed women I interviewed. They work longer in self-employment then when they were in waged employment – whether they have viable incomes or not. For example,

My working day tends to finish probably at 10-11 at night, and it starts at about 7 in the morning so it is really long hours.
(Elisabeth)

Viable or non-viable, interviewees work between 40 and 80 hours per week. Many of them work on Saturdays, some of them on Sundays. Most of them take limited annual leave, between one and three weeks per year, instead of taking six weeks off as they did in previous waged employment. They spend little time on ‘pure leisure’ (Hyytinen and Ruuskanen, 2007) and rarely go on ‘holidays’, preferring to spend their annual leave at home, sleeping and trying to catch up with the lack of rest accumulated during their working year. For

most of the self-employed women interviewed, annual leave is not a time to do something radically different from their daily lives, such as traveling or pursuing a hobby, but is defined as a necessity for recuperating from intense physical fatigue.

Emily, from one of the non-viable micro-businesses in the craft sector feels that she has 'less time' than before. She mainly insists on the fact that she has less time to spend with other people:

Being patient I think. I have not had as much time to spend with people. I think that's the most prominent, which in a way is a shame. I really enjoyed setting up this business. But I have noticed that I was not necessarily there for people where I would have been, and just little things. (Emily)

This next extract shows that Annette works between 60 and 70 hours per week. This does not include the time to commute between her home and her business (one hour and a half by car return per day).

E: How many hours do you work per week then?

I: Everything together? The shop should be open at ten. But usually in order to have a little bit of more time home, I try to come here by 11 o'clock. And I still close around 9.30' or 10 o'clock. So it's quite a long day. Sometimes I may try and sneak off early. But then I get customers complaining to me 'oh you left early, I know because I came and you were gone'. Haha! So, but I would say something like 11 or 10 a day.

E: So you do you accounting in...

I: I do the accounting myself, I keep the books myself. I would tend to do, like a daily thing, because then it's easier for me to keep up with it. And if I don't, I try to do it at the end of the week or beginning of the other week. So that it's not too much to me.

E: Are you open every day?

I: Open from Monday to Saturday

E: So it's a busy week

I: Yeah...

E: It's a lot of work.

I: There is a lot of work, yeah, there is a lot of work.

E: And so, do you sometimes take some weeks off?

I: I may go for like 2 weeks. I have never gone away for longer than that. Two weeks is fine. Yeah. And I usually just sleep. Sleep sleep sleep, sleep. Hihi! So I don't do anything but just sleep. Seriously.

E: So two weeks a year.

I: Yeah. Two weeks, two weeks for the year away from my job. Before I used to go away a little bit more regularly than that, I'd probably go away like 6 weeks out of the year. I think last year I went away for 2 weeks. I try to do it every year, just to get some time for myself. My husband even he doesn't mind, he is telling me 'just go, go and rest yourself'. I like that. (Annette)

Jane says exactly the same, from 6 weeks of annual leave per year she now takes two:

E: And do you sometimes take time off, like annual leave, etc.?

I: Yes. But probably not that much. I take about 2 weeks a year now. Compared to... I was taking 6 weeks a year when I was employed. (Jane)

8.5 *Fragmented time*

Each of us, as human beings, constantly refer to time. Our perceptions and concepts of life in Western societies are framed around a notion of time, and this is present in our way of narrating reality (Ricoeur, 1984). In accordance with this human reaction to refer to time, and to situate ourselves to life events by enunciating chronological events, the interviewed self-employed women also keep referring to time in the interview narratives. In the 22 interviews with self-employed women, I coded 73 quotations referring to time. In addition to that, self-employed interviewees do not just refer to time constantly, they also refer to time in a fragmented way around which different types of self-employment times are intertwined with one another. When I questioned them about their number of working hours, they all started by saying that they didn't know. Then they started to tell me the number of hours spent in their offices (at home or outside the home), or in their shops. Then they talked about the time spent travelling for work, to purchase material or meet customers. They also referred to work brought back home, and then to administrative, accountancy work, and emails. Last, they all ended up saying that they never stop working, that even when they have free time they still think or talk about work, and one interviewee even asked me: 'Is thinking time working time?'

Time is fragmented in their narrative and in the working time. Kelly for

example says that time constraints were stressful in the beginning but today she still sometimes works at night, in order to have her orders ready for the morning:

I am much more peaceful today. I am much better organized. Stressed, I am stressed. I am stressed because I have dentures to finish. I am stressed because I know that the night will be short and that I'll get up at 2 AM in the morning. Unavoidably, I am stressed, but it is a positive stress. Now. In the beginning, it was totally destroying me. I was really extremely anxious. (Kelly)

Others mention the fact of always being working:

One is always at work. As a self-employed person, even at home, work is always in some part of the head. And work is brought back home. Otherwise it is not possible. So we are always at work. Even at home. (Julia)

Gabrielle compares her time as a previous wage employed worker and her current time as self-employed. For her, becoming self-employed has meant a shift in her way of perceiving and experiencing time. Before, she took her time, but now she is self-employed, she is constantly running after time:

It's all the time like that. On Saturday it [the shop opening] is until 6pm. And the other days it is 6PM as well. But honestly,

I don't count how many hours I work. Plus the emails... It's a whole. I am always busy. Actually, that's right, I have no idea how many hours I work per week. I have not worked it out yet... My hours, my working time... Actually I should really count and take some notes, make some plans for myself, and see how much is left for me, of my time. When I worked in the office, I used to take my time. I finished work at 4, then I took time to leave, to do the shopping, etc. I was always taking my time. Obviously when you work in an office, you tell yourself that you have time, so you do things more relaxed. But when you become self-employed, that you close at 6PM, you tell yourself 'There is no time!', and then you hurry up, you go faster. And then there is always one and a half hour of work brought back home every day. And then there is also the retouching to do. Actually I don't count but I do realise now that I really have very busy days... I am really split between many different things... (Gabrielle)

Alexandra explains perfectly the idea of the fragmented and intertwined time that occurs working and family time for the self employed:

Oh God, I work all the time. When you run a business, you could say that you work almost 24 hours a day. Because you could be making your soup at home, but your mind is somewhere else. So, but if you ask the physical time when I start work 9.30' and most of the time I go home at around like 7. Yes. And I always try to bring work at home. But I don't know, I never end up working at home. And the only reason why I am home at 7 is because I have a home to run. Otherwise I would be... you know, and they are times when I stay until 9. Or when I am travelling, and they don't see me. So I try not to work on Sunday, so I work from Monday till almost Saturday. But again, you have to work all the time, but you have the liberty of readjusting your time. So if on a Wednesday afternoon I leave to take my little girl with me, then I take Wednesday off. Except that it's not really 100%

off because you would go to a shopping centre and along the way I would see two clients, make three phone calls so... you see it's not really... (Alexandra)

In this quote, her time is split among different types of time, and even when she is with her daughter she is still working (making phone calls and seeing two customers) and when she is at home cooking she still thinks of work.

The following quote reflects the intertwined discourses of self-employment. This interviewee started her business several years ago, and has three children. She is the only one of my interviewees to have more than one child and a viable business at the same time. Her husband undertakes all the domestic and care labour. She says she spends little time at home and when speaking about it, she defines her time in self-employment in relationship to traditional wifely roles, with which she does not comply:

One of my biggest dreams is to be home on a Saturday. The last time I was home on a Saturday was around Christmas time, when I think it was a bank holiday or something like that. The time before that, I do not even remember when. So that is one of my biggest dreams that I am working towards for this year, that every Saturday I must be home, to clean my house, cook for my children [laughter]. And you know do what a wife does: clean, look after the house, make a meal... (Annette)

In 'Close to home', Delphy (Delphy, 1984) observes labour relations by including all existing assets in the familial unit: labour paid by financial supply

coming from outside the home, care labour, domestic labour, and emotional labour.

She names these different types of labour economic and domestic ‘modes of production’, and argues that they are all necessary to the optimal functioning of a familial unit, and more widely to the functioning of society (Delphy, 1984; Delphy and Leonard, 1992).

The familial unit therefore, becomes an economic unit, in which relations between different family members take place to ensure its survival. These different types of labour all become as important as one another in ensuring the economic efficiency of the familial cell: ‘All contemporary ‘developed’ societies’, including ‘socialist’ ones, depend on the unpaid labour of women for domestic services and child-rearing’ (Delphy, 1984, 60).

Materialist feminist theories bring to light the characteristics of paid and unpaid work in ‘doing’ self-employment, whether we are considering male or female self-employment. Time in self-employment is a non-definite entity in the life of a self-employed worker. There are many interactions between private life and working life, and this creates less clear boundaries of the time spent for work and for other activities. Time is also a never ending stretching entity, as self-employed workers work particularly long hours (Parker, 2004), and never really get a break from work. In an interview, Kim for example, asked me: ‘Is thinking time working time?’ On the other hand, Alexandra

says that holidays and time off are also working time, in which the outside world offers continuous chances for observing people's reactions to her marketing skills. Even when they are on holiday, which very rarely happens, or at the weekend, people owning micro-businesses never stop thinking about their businesses, or being available for them (Oughton et al., 2003). They live with it, sleep with it, dream about it, and it dominates most of the conversations in their private life as well, such as when Alexandra explains that she discusses a lot of her business with her 10 year old daughter:

I always always ask her opinion for things, for products. For example when I choose a product and she is with me, I always tell her 'so can you taste it, what do you think?, What do you think of the packaging, what do you think of the colour combination?' And for me she gives fantastic feedback at her age, and I do listen to her, for example: 'the nougat bar, the label is a little bit too sad.'
(Alexandra)

Unlike financial capital, time capital is intangible. It is invisible, and treated as an informal matter and left unmeasured when it is related to unpaid work (Delphy, 1984; Delphy and Leonard, 1992) and or self-employed work (Parker, 2004; Arum and Muller, 2004). Some aspects of financial capital in self-employment, such as the access to credit and start-up capital (Apitzsch and Kontos, 2003; Carter et al., 2001; Fielden et al., 2006; Forsyth, 2000; Underwood, 2006; Orhan, 2001; Oughton et al., 2003; Smeaton, 2003; Wilson et al., 2004; Marlow and Patton, 2005) have been studied more than time

capital in self-employment, and the knowledge accumulated over the last decades has simplified the processes by which it is analysed. Just as the problem of income is not measured in relation to women in micro-finance neither is time. By looking at the materiality of time, I have aimed to render a more detailed picture of the numerous parcels that constitute the notion of time in self-employment. The next section will show how time is reflected in the help received informally, usually by other family members.

Women's time is not fragmented by essential rules of nature as some argue, but is a consequence of differences in the way social and working times are gendered (Bryson, 2007). It has also been a Western habit to cast what is happening in people's households as a private issue, and that the state should not interfere with what is happening in people's private lives (Bryson, 2007). Whether women spend more time on other tasks and perform other types of work outside their business is not the concern of policy programming micro-finance and business support. It is for example the case when Thomas, one of the agency employees, tells me that if I want to get information on women's issues regarding micro-finance I should not talk to them, or when he claims that childcare has nothing to do with business and that the costs related to it should certainly not be included in a micro-credit application, as it concerns an issue that 'has nothing to do with business'. It is also the case when Kevin says 'and who will take care of the children while mummy is working?'

Policy making is constructed as if lack of time was not a self-employment

issue. Policy makers lose sight of the fact that care work is time-consuming and cannot just be done during two phone calls. They also omit that this is ‘necessary work’ and they ‘encourage or even coerce women into paid work as though there was a reserve of women’s unused labour just waiting to be tapped’ (Himmelweit, 1999, cited in Bryson 2007: 69). As self-employment requires more time than waged employment (Parker, 2004), when added to the gender constraints of lack of time it becomes twice as difficult for women as it is for men, unless when dichotomous gender categories are less dominant, as is the case for women in Group 1. Their self-employment is rendered possible by the fact that their time spent on care is shared with other family members. Without social justice within a family (Okin, 1990, cited in Bryson, 2007), social justice outside cannot take place (Bryson, 2007). Unless micro-business owners and their families are not in a state of equality, that is, regarding time spent in self-employment and in unpaid work in the home, micro-finance cannot solve the problem of lack of time for the women they try to support in self-employment.

Women’s time is then gendered and fragmented not because they are women, but because their attributed role in society has been limited to time-consuming yet unpaid, invisible hours spent on care, voluntary work, and help in men’s self-employment (Mulholland, 2003; Bryson, 2007; Hakim, 2002; Delphy, 1984). Without this unpaid contribution of women, society would not work, and yet without formal recognition of their work, women cannot fully achieve equal-

ity at work or in self-employment. Self-employment is made easier and more profitable both on a personal and financial level for the women who do not engage in traditional gender roles in terms of spending time. But – and this something that is discussed in many other studies as well (Bryson, 2007) – those who do not conform to these roles must be resistant to criticism and have extraordinary personalities. Erika has mentioned being ‘angry’ at people considering her a mother before being a business woman, by for example asking her where her two year old son was, and why he was not staying with her at work. She is angry at her neighbours telling her she has no right to voice that she is tired as should have known it would have be tiring to be self-employed and a woman. Gabrielle admits to be utterly surprised to discover how the men she was dealing with at work kept on questioning and putting in doubt her ability to work seriously and take sensible business decisions. Helen and Alexandra both feel guilty for not following the model that is traditionally expected of women, which is to be home for their children and ‘make them soup’ (Alexandra) – this is at the same time that they say that they are not this type of woman either, and do not want to pass this model to their daughters. Annette, whose life is centred around work, and whose husband both helps for the business and takes full care of their three children still says in the interview that her biggest dream is to ‘be home on a Saturday’, ‘clean her house’, ‘cook for her children’, and ‘do what a wife does’ (Annette).

There is no such thing as ‘women’s time’ (Bryson, 2007), neither do I believe that because of their female nature, women have imposed on them a cyclical, non-linear type of time in opposition to the ‘commodified clock time’ imposed by capitalism (Bryson, 2007, 122). Yet they happen to find themselves in these situations, and therefore, the self-employed women I have interviewed are literally split between a non-linear and fragmented type of time of human care, imposed on them by culture and society, AND a linear commodified clock-time imposed by the constraints of doing business in a globalised and capitalist economy. Some (Group 2) who did not resist their own or others’ traditional views of the female carer and male breadwinners became overwhelmed by these. Others (Group 1), who resisted these gendered roles and models occasionally find themselves guilty but also much freer and happier at work because of higher incomes and more possibilities in what they can do within the constraints of self-employment. Those who resist these gender constraints usually have a male partner as an ally within their resistance. Here, I use the word ‘ally’ because contrary to Group 2, women in Group 1 mention having supportive partners who do not want their female partners to be stuck in the constraining role of carer. More research is required to find out what happens in the interactions between these women and their male partners. Did they negotiate these as they became self-employed, are they a consequence of their self-employment, or did these behaviours happen before they became self-employed? What makes a man more inclined to oppose tradition and take on more care and domestic work?

8.6 *Informal business helpers*

Family businesses have always had an awareness of time accumulation, where relatives are a valuable source of help who can replace paid workers and reduce employee costs.

Time remains a weakness in pushing some categories of women into self-employment. Self-employed women have less time available than self-employed men to invest in their business and generate earnings (Longstreth et al., 1987; Wheelock et al., 2003; Verheul et al., 2009). They receive less help from relatives for their business (Mulholland, 2003), and they spend more time on care work than men (Elchardus and Glorieux, 1994).

Literature on entrepreneurship describes unpaid help capital as a key issue in the development and viability of very small businesses (Mulholland, 2003). The definition of ‘help capital’ includes informal help performed by one or several members of the family that can be directly invested in the business. This includes book-keeping, receptionist services, daily assistance in the business, etc. (Delphy, 1984). Sometimes this replaces the work of a part-time or full-time wage-employed worker in the business (Mulholland, 2003). The tasks in the business are usually carried out by other family members, but sometimes a neighbour, a close relative, or a friend can also provide this help. The role of the helper is usually occupied by female members of the business owner’s family – in most cases by wives – but also by mothers, sisters, or sis-

ters in law (Mulholland, 2003). Unpaid labour performed by women for men who are self-employed is often regarded as ‘natural’ and taken for granted. This was Ann’s view, one of the agency employees:

A lot of the men assume that their partners will do the books for them. You know particularly if it’s building or construction. I mean it’s awful, but they just do. (Ann)

But as could be predicted from the literature (Mulholland, 2003; Delphy, 1984), the self-employed women interviewed have little regular informal help for their businesses. They do receive help for occasional activities from other family members, but this does not include repetitive and regular help in the business that can be counted as a dependable source of additional labour. One interviewee had help from another female family member but none of them had regular help from male relatives who physically contribute on a regular basis. These is the result of direct and indirect gender effects – partners who are fully wage-employed outside the micro-business, with little time to spend on their female partners’ businesses. This occurs because help is gendered. Men tend to help in occasional work such as helping with a website or doing refurnishing work, while women tend to help with the caring or daily tasks (Elchardus and Glorieux, 1994) such as book-keeping, the phone, reception, or other assistance.

Female business owners do receive forms of informal help from other family

members, but it is of a different type than those received in male businesses. Female family members contribute to domestic and care activities, and in some cases help in the business on a regular basis. Web design (1) and renovation work for the business setting (2) are tasks that are usually done by male members of the family in female business ownerships.

(1) The person who is designing my website and has designed my logo is actually my partner.’ (Nancy)

(2) He fixed everything. The premises here were really bad. He also gave us financial advice. He fixed everything here: the ceilings, the painting, the redecoration, etc.’ (Caroline)

Other tasks include giving advice (for business or products), helping for exam revision (in the case of the self-employed woman who went back to school), and giving emotional support: ‘he has always been there for me, and has been a good listener in any situation’ (Helen).

Most of the self-employed women I interviewed were sole traders. But if they did employ someone it was often a female friend or another female family member (mother). Rebecca was receiving informal help from her mother, who regularly looked after the shop while she was doing other administrative tasks. In other cases, domestic and household tasks were performed by other female members as well.

Unlike book keeping, taking phone calls, shop assistance, or working in the family business, the characteristics of most of these tasks are that they are non-daily activities. This phenomenon is not an effect of entrepreneurship, but it is in line with the gender effects of the sexual division of labour. Other studies have shown similar findings in the sexual division of domestic labour (Elchardus and Glorieux, 1994). For example, Elchardus and Glorieux make a distinction between ‘odd jobs’ (cleaning the car, fixing a bathtub, painting the doorway) or non-daily domestic activities (throwing out the garbage, cooking on special occasions for guests), and regular, everyday domestic activities (cooking everyday meals, doing the washing up), the first being more often performed by male members of the family, while the latter are more often performed by female family members (Elchardus and Glorieux, 1994).

8.7 *Traditional gender dynamics*

Social exchange theory (Emerson, 1976; Bittman et al., 2003) helps to explain the interaction of the self-employed women I interviewed with their family members in relationship to time and income. It considers that members of a household have ‘self-interested behaviours’ while silently negotiating for income and housework contributions between members of a household (Bittman et al., 2003). In their paper ‘When does gender trump money? Bargaining and time in household work’, Bittman et al. use the social exchange

theory to demonstrate that individuals with no incomes or much lower incomes than their partners do more care and domestic work (Bittman et al., 2003). They also show that two partners with similar incomes put a similar amount of time into the housework and that women therefore ‘decrease their housework as their earnings increase up to the point where both spouses contribute equally to income’ (Bittman et al., 2003, 186). The authors found out, however, that once this stage of income equality is reached, gender starts trumping money. For example, the exchange-bargaining theory stops explaining income/time in the housework patterns of female breadwinners who more spend more time on the housework than their male spouses when this one earn less than them (Elchardus and Glorieux, 1996). Elchardus and Glorieux look at time spent by both partners and does not look at incomes, but findings have also been found where women who are spending more time at work than their husbands also spend more time doing housework (Elchardus and Glorieux, 1994). Bittman et al. (2003) seek out an explanation for the pattern where a female breadwinner works more in the home by arguing that their data shows that women who earn more money feel guilty earning more than their spouses. Social expectancies can lead both partners to feel wrong about not fulfilling the expected gender categories of ‘female secondary earner’ and ‘male breadwinner’. As an answer to this, the authors argue that women start to do more homework to compensate for their guilt of not behaving according to traditional gender norms (Bittman et al., 2003). This renders the social exchange theory useful, in particular when used to

take into account the deviant effect of gender on the way men and women negotiate their time together, and that a ‘gender-neutral model’ of exchange theory simply cannot work (Bittman et al., 2003, 190).

How can we use these findings in the context of time used by self-employed women and how they negotiate (or do not negotiate) their time with their partners as they become self-employed? Social exchange theory is useful in explaining what happens when self-employed women with non-viable incomes (Group 2) put more hours into care and domestic work. In this group, women are financially dependent on their husbands and spent more time on care and domestic work, even when they are already spending a lot of hours on their businesses. Following that model, they perform more unpaid work in the home to compensate for the fact that they do not contribute to the household income. This was already the case in the past – with them taking career interruptions to look after their children, as in the case of Nancy, Amanda, and Lynn, or to follow their husbands abroad and look after the house in the case of Kim. But here there is also another effect, a direct gender effect, as in this case, men in similar situations (earning a lower income than their female partners) do not work more in the household than their female partners (Bittman et al., 2003; Elchardus and Glorieux, 1994). This gender effect is not a neutral phenomenon because it is linked to long standing traditions of gender inequality which are embedded in practices and enforced by legislations (Delphy, 1984; Delphy and Leonard, 1992).

In Kim's household, it is implicitly agreed that her husband brings in an income and pays the bills, and that she works as a self-employed craft worker and look after the house. She explains that when they moved houses, she spent less time in self-employment because she instead spend time on decorating. Nancy, as another example, is fully responsible for the childcare and domestic tasks. She tries to combine her self-employed job along with childcare and domestic work in the house, but she finds it difficult. For example, she works early in the morning, and especially early on Sunday, from 5 or 6 am, so that her husband can stay home with the children during that time. Nancy says 'my husband is a very nice husband, he has helped me to look after the children... if you want to go, go, I'll look after the children'. However, when I visit her, it is clear that she is taking care of the house and the children, and running her business in parallel. By mentioning that her husband sometimes 'helps' her by looking after the children when she is away, it shows that has been agreed that she is in charge of the childcare.

A low income status reveals gendered financial expectations towards someone else in the family, usually a husband or a partner, but in some cases, a father. This is an experience that more often happens to women than it does to men. Time is used in different ways by men and women, and this leads to economic dependence (Bryson, 2007). These differences (for example, who takes care of the children in a household, and who helps in a family business) create gender inequality and the subsequent inequality in incomes if these roles

(income contributor and carer) are not shared. The experiences of women in Group 2 show that those who earn little or no income find themselves in positions of also being the main family carers. In these cases, the women involved have no time left for pure leisure and all their time is spent on work both in the micro-business and in the realm of care. As a consequence, they find themselves frustrated, poor and disappointed by their new experience of self-employment, as it did not bring the things they hoped it would bring them (time, money or personal satisfaction and self-fulfilment).

In Group 2, the women are supported financially by their husbands. The husband or partner takes the role of the breadwinner (Warren, 2007), while they take on the role carer whilst also being self-employed. In Group 1, partners and spouses help financially in case there is a problem, but there is no financial dependence.

There is therefore, a mutual expectation of care and domestic work in exchange for financial support; a more traditional version of gender, while the women in Group 1 are in a dynamic whereby they share with their husbands and partners, and in some cases the partners and husbands take on more care and domestic responsibilities than the women themselves. Members of Group 1 experience a relationship of mobile financial reliability between themselves and their male relatives or spouses, while members of Group 2 are linked to their male relatives by a relationship of financial dependency in exchange for more care and domestic work. Women in Group 1 have a more gender equal

bargain in terms of their time. Here, their incomes contribute more equally to their household than those in Group 2.

The social construction of women's incomes as 'component-wages' (Siltanen, 1994) or secondary wages (Hakim, 2002), in opposition to breadwinner wages is clearly in play in relation to the women from Group 2. But anyone who contributes a 'component' of a family income places themselves in a potentially risky financial relationship with their relatives. Women in Group 1 are freer to move between self-reliance and reliance in respect of their male partners.

We have seen that male business owners are linked to their female spouses or partners by a relationship of help and need for unpaid labour (Mulholland, 2003; Wheelock and Baines, 1998). In women's owned businesses, the reliability is financial, while in men's owned businesses, it is temporal. In the first case, it expects male relatives to financially support their female relatives. In the second, it expects female relatives to support their male relatives with time, by helping in their business (Mulholland, 2003).

8.8 *From occasional financial support to economic dependency*

8.8.1 *Group 2: fixed and traditional gender dynamics*

There are links between financial independence and the way household and family tasks are shared among the self-employed women and their male spouses or partners. In Group 2, women regularly define themselves as mothers and wives before being entrepreneurs. Although women in both groups work long hours, identities as ‘wives’ and ‘mothers’ are more frequently cited by those who are financially dependent on their male spouses or partners than those who are not. Those who have the highest incomes (Group 1) also spend less time on domestic and childcare work than those with lower incomes. They talk about childcare as something being naturally taken care of by their male spouses or partners. Annette from Group 1, explains that if she manages to run her business the way she does, it is also thanks to her husband who is doing the childcare and domestic work at home:

He allows me to sleep in in the morning so I don't have to get up. Because I come home late sometimes. And if it's a big night I won't be able to leave by 11 o' clock. Or 12. So he allows me to have the morning time so that he would get up, get the kids ready, and then he would take them to school, and by the time he comes back, I am more or less getting ready to work and stuff like that. So he really does help out for the home. (Annette)

Women in Group 1 say that childcare and domestic work are shared between themselves and their spouses or partners. They express it as a conscious choice of gender equality. They question, challenge traditional gender stereotypes, and resist them. Erika argues that childcare is something that has to be shared among both parents, and that she does not see any valuable reason why it should be a woman's job:

Having a child is something that you decide to do together. So, the man has got to take half of the work related to this. No excuse, no but. (Erika)

Erika is very resistant towards gender stereotypes, and is vigilant about them during the whole interview. At several occasions in the interview, she suggests that my questions or reactions towards what she says may be sexist, that if she was a man I would never ask her this type of question, neither would I asked her how many children she has. She is talkative and gives long answers to my questions, except those related to how many children she has. At one point during the interview, she says 'I saw when you entered that you were surprised to see I had such a big office'. And it is true. I was a bit surprised that she had a big office when she had only started two years ago, and also this was my first interview in an office environment, all the others having taken place at interviewees' home. Then she adds:

People always think that I am working in my garage. Also, they always ask ‘where is Alex?’ [her child]. People think that I go to work with him, that I take him along to my meetings and so on... It is such a nonsense. Then I tell them, I am working, you know, just like everyone else. He goes to the nursery. (Erika)

The interviewee also states that

for many people, when a woman is self-employed and that she is married, the aim is that she does not harm the household budget. So no money should be lost. But whether she earns money or not, no one cares!’ (Erika).

Several self-employed women who mention ‘earning a living’ as a motivation for entering self-employment simultaneously engage in gender equality discourses on incomes and on the share of domestic tasks.

In contrast, several of those who depend on someone else for their living regularly refer to the fact that they are wives and/or mothers. This is expressed both in their discourses on their identity as wives and mothers, and in the actions that they take to fulfil traditional gender roles of spouses attached by a strong link of financial dependency: more financial support for the male spouses, more domestic and childcare work for the female spouses.

Baines and Wheelock found similar patterns of reinforcement and modifications in gender relations within micro-business households, appearing in specific categories of business owners (Baines and Wheelock, 2000; Wheelock

and Baines, 1998). They suggest that the ‘modernisation of the economy’ (Baines and Wheelock, 2000) pushes a category of business owners to return to traditional ways of ‘doing gender’ (Bruni et al., 2004) and family relations in their micro-business households, while it gives others opportunities to modify them (Baines and Wheelock, 2000).

Both male and female entrepreneurs have expectations of other members of their family that are gender specific (help from female relatives and financial contribution from male relatives). They are binary and tend to be loyal to traditional gender dynamics of women as working contributors and men as financial contributors. Women tend to remain faithful to the role of the unpaid helper and men tend to remain faithful to the role of the financial helper. Female self-employed workers who challenge the traditional gender order of these roles, such as, for example, women in Group 1, earn higher incomes because they place themselves in the position of the income earner. Members of Group 2 are negatively affected by these gender dynamics as the absence of an income induced by their self-employment choices places them in a position of dependency.

8.8.2 *Bargaining time*

Materialist feminist theories explain gender expectations in familial groups, as a means of ensuring the survival of families as ‘economic units’, and exten-

sively to the survival of society (Delphy, 1984; Delphy and Leonard, 1992). From this perspective, the different types of labour (unpaid and paid), and the economic reliabilities between different members of a familial unit, are identified as being equally vital to ensure the economic efficiency of the familial cell (Delphy, 1984). Observing the specific roles of family members within a familial cell, and how each of them is necessary to its very existence, helps us to read the existing dynamics between gendered individuals in familial groups marked by self-employment. Being a 'self-employed' worker automatically implies a higher degree of financial independence from both the state and from a company to which wage-employed workers are linked. This means that self-employment reinforces the reliability or dependency of the self-employed individual on his or her relatives (Baines and Wheelock, 2000). In the case of male businesses, this reliability/dependency is given in time contribution (help), while in women's businesses, it takes place through financial contribution (a start-up fund or households bills).

From the data collected in the interviews, women in Group 1, who have better incomes, also do less of the domestic and care work than those in Group 2. In that group the male partners tend to do more of the domestic and care work than the male partners in Group 2. This is similar to Bittman et al.'s study (2003) and this also shows that in self-employment there is a relationship between income equality and time use.

8.9 *Conclusion*

In this chapter I have organized the narratives of time that were revealed in the interviews into three time types. The first is the actual time that the women spend at work in self-employment, relating what interviewees define as working time and working hours. This has shown that women are under difficult time constraints due to the context of self-employment. It is fragmented, as is any type of work done by self-employed people, who are also multi-taskers (Parker, 2004). This is experienced by both male and female individuals.

The second type of time is the time that the interviewed women spend on working activities, which are not related to their businesses, such as care and domestic work. This type of time is typically gendered as it is rigidly constrained by traditional gender categories of 'female'/'carer'; 'male'/'breadwinner'. It is very hard for women to escape these social and cultural norms of ways time (Bryson, 2007). We have seen in this chapter that those who try to both follow the traditional roles expected of women find it very hard to generate incomes because they lack help and time in their businesses. And, when they do not conform to these roles, we have seen that they find themselves happier at work, even though they are still followed by the spectrum of these gendered expectancies which are imposed on them, and some experience guilt when they do not conform to these.

The third type of time is related to the help that the women receive from other people for their businesses – in most of the cases it comes from relatives and family members. This narrative is also gendered in the way men and women often undertake gender specific activities, and also because women tend to offer more time, while men tend to offer less time but more financial support. It is very interesting to notice that the pattern of the male breadwinners, or ‘money bringers’, and of women as help and time bringers appears in most cases in self-employment. In a study by Weelock, Oughton and Baines (2003), the authors discuss the case of a couple of business owners. In this case, the mother of the wife brought in help and support for the business, and did occasional childcare, whilst the parents of the husband gave the couple money for their business (Weelock et al., 2003, 35):

Barbara’s mother had a share in the catering business and worked for it on a flexible basis around Barbara’s busy schedule. She did not take an income but was repaid in kind by Nick, who looked after her animals. She also helped out occasionally in his business and minded the baby. Nick’s parents were not involved in the practicalities of the business on a day-to-day basis but they gave him a start-up loan (which he has not repaid).

The quote above shows an additional case where a typically male contribution in the business is pecuniary, and the female contribution is non-pecuniary, and in particular is given in time. But it also adds one more interesting aspect to this gendered effect of time and money. In this case, it is not the male

or the female of the two partners who is concerned, but the parents involved who portray these roles as well. It is the parents of the husband who bring financial assistance into the business while it is the parents (mother) of the wife who bring in time capital and help. This confirms gendered expectations involve not only business owners but also their belonging to one gender or another and the role of their parents. This also calls for further study in terms of the way that time, and expectations of time linked to self-employed individuals, is also gendered.

In this chapter I also showed that there is a relationship between time and money. The interviews reveal a balancing act between time and money exchanges; women with no incomes in their businesses do more domestic and care work and the men who help less in the business bring in more financial support into their relatives' businesses. Self-employment in a micro-finance context is then a highly gendered phenomenon in respect to time exchanges, types of time exchanges, and money exchanges within a same familial cell. Using Delphy's concept of material gender exchanges within the family, I have shown, through the data, how conscious and unconscious bargaining takes place between genders, and which favours a better balance or a worsening of gender segregation in respect to time and money uses and exchanges. The analysis of social exchanges and bargaining by Bittman (2003) has also shown that 'gender trumps money', alerting us to the existence, not only of the indirect gender effects that are imposed by the contexts in which individ-

uals are, regardless of their sex, but also of direct ones imposed by cultural and social norms. While we can prove that women not contributing or contributing less to the household income do more care and domestic work for the male partners on which they are economically dependent, men who do not work in paid employment do not do more care work (Bittman et al., 2003; Elchardus and Glorieux, 1994). The model suggested by Bittman allows to explain why women in Group 2 are in a cycle whereby they earn less income and do much more domestic and care work than their partners. The relationship between female micro-business owners' economic dependency on their partner and the time spent on care and domestic work has also been demonstrated by Wheelock and Baines (Wheelock and Baines, 1998).

The chapter has shown that time is a very obvious indirect effect of self-employment. When observed from a materialist point of view, time suddenly becomes a very pragmatic entity in which gender patterns are reflected and repeated. If in a familial cell, even constituted of just one individual, work and any other type of activity is an act of constant negotiation with other members. Patterns of time found in traditional employment are sharpened in self-employment practices, and negotiations accompanying working practices are as well. This explains why the gender pay gap is higher in self-employment than in paid employment (Dunn, 2000).

Micro-finance policy in support of women's self-employment take this into account in the way they support self-employment. As Bryson (2007) argues,

it is only possible to have gender equality in other spheres of society (politics, citizenship, work) when there is gender equality within the household. The data has confirmed this finding: the higher the equality in how the self-employed women and their partners spend time, the higher the equality of incomes. The more rigidly gender roles are performed between female micro-borrowers and their partner, the more financially dependent they are on them.

It would be very hard for micro-finance to solve these multiple facets of indirect and direct gender effects in self-employment. Yet, there are several suggestions that can be made to avoid reinforcing these gender effects. The first step, is, as mentioned by Sarah, to be vigilant about these effects, and not be afraid of asking individuals about their experiences. The second aspect is not to just identify these gender effects and talk about them as women's problem only (e.g. Kevin and Thomas).

Considering that time is a huge issue in self-employment, agencies have everything to gain in taking into consideration the sectors that allow for a better combination of time and incomes than others. Interviewees in Group 1 (for example the graphic designers or consultants) earn better incomes because they receive more help and support from their partners and family members, and because they are in sectors in which they can better capitalize their working time.

Lastly, challenging gender categories also shows good results in increasing gender equality, both in employment and self-employment. Political discourses such as by Harman (2008) that encourage self-employment as a way of offering women flexibility in their work do not take into consideration the time constraints of self-employment (Rouse and Kitching, 2006), and how gender traditions are still too persistent and too perverting (Bryson, 2007) to offer women a good alternative to waged employment.

9. GENDERING MICRO-FINANCE

This chapter shows that micro-finance schemes are gendered, even when they are advertised with the intention of increasing gender equality. First, I will introduce the concept of gendering micro-business support by using Ahl's model of gender categories in entrepreneurship (2004, 2006). With the help of the software T-LAB, I will observe how written policies reproduce the gender stereotype of a fantasised feminine entrepreneurial super-hero, who – in reality – is a plurality of low-income female micro-business owners. There is then a shift in how European policies see micro-finance as one way to boost this imagined entrepreneur while in reality we are talking of precarious forms of micro-business development. I will show that women do not conform to the gender stereotypes present in policy and agency discourse. However, their resistance to gender stereotypes also includes some elements of conformism to gender roles.

Currently, feminist concepts are being shifted and transformed in the way business development is offered to women, by being 'gender coopted' (Stratigaki, 2004), abducted (Swan, 2010) and 'femocratized' (Nillson, 1997). I will

argue that modern ideals of self-fulfilment and self-actualization are helping the development of micro-finance programmes and peer-lending groups for women. In fact, Group 2, which was the most motivated in self-employment by a project of self-actualization, is the poorer group in self-employment.

9.1 Construct of a feminine entrepreneur: explanations

Entrepreneurship is not only a gendered construct, but a male construct (Ahl, 2004). In a study by Ahl, she found that the words (nouns, adjectives and verbs) used to describe an entrepreneur are exactly the same as those used to describe 'what a man is'. In this study, she compared the words used by a sample of study participants to whom she asked 'what is an entrepreneur', with those of a previous study done by Bem is where participants were asked to give a list of words that describe 'what a man is' (Ahl, 2004).

When asked to list male characteristics, study participants used the words 'forceful', 'willing to take risks', 'self-reliant', 'independent', 'competitive', 'dominant', 'ambitious'. When asked to describe the characteristics of an entrepreneur, participants listed the words 'unusually energetic', 'active', 'seeks difficulty', 'daring', 'courageous', 'independent', 'detached', 'mentally free', 'influential', 'seeking power', 'wants a private kingdom and a dynasty', 'achievement oriented' (Ahl, 2004, 57). Characteristics defined as 'masculine', such as being competitive and enjoying challenge have been tradition-

ally attributed to men (Bradley, 2007). Words used for the opposite of entrepreneurs, or non-entrepreneurs ('selfless', 'cautious', 'cowardly', 'yielding', 'no need to put a mark on the world', 'subordinate', 'self-doubting', 'gullible') are very similar to the wording used by study participants to define 'what is a woman' ('sensitive to the needs of others', 'soft spoken', 'gentle', 'shy', 'yielding', 'gullible') (Ahl, 2004, 56, 58).

Vinkenburg and van Engen (2005) explain that the automatic association of 'women' with 'feminine' and of 'men' with 'masculine' are linked to the traditional gender segregation of work tasks of men and women. The competencies which are 'feminine' and 'communal' are used in welfare work, and are typically associated with women, and the competencies which are typically 'masculine' and 'agentic' are associated with men. The two genders are expected to behave along these lines:

Worldwide, women are expected to have communal or 'feminine' characteristics concerned with the welfare of other people (for example helpful, kind, affectionate, sympathetic, nurturing, interpersonally sensitive, gentle), whereas men are expected to have agentic or 'masculine' characteristics concerned with being assertive, controlling and confident (for example aggressive, ambitious, dominant, forceful, independent, self-sufficient, self-confident, prone to act as a leader) (Eagly, 2002 and Williams et al., 1999, cited in Vinkenburg and van Engen, 2005, 46).

The construction of entrepreneurship goes hand in hand with the construction of masculinity, and 'the language used to describe entrepreneurship is

male gendered' (Ahl, 2004, 58). The concept on which policies of gender and diversity management, gender mainstreaming, or gender equality in the space of entrepreneurship are based, is constructed from this association. This is done unconsciously, whether by participants in a linguistics study on entrepreneurship, policy makers, agency employees, or self-employed women from my study. The appearance of an anomaly, of something not coherent in the legitimization of business counselling and financing for women as discussed in the previous chapter is then a logical consequence of this non-admitted, non-deconstructed perception of entrepreneurship, which is only rarely unveiled and identified in the research area (Nillson, 1997; Ahl, 2004, 2006).

The problem is based less on the sex of the individuals, than on fixed categories attributed to 'masculinity' and 'femininity', and on the gender dynamics taking place between these two categories. For us, social individuals, creators of structures, it is very hard to use all the different facets of human characteristics, which do not necessarily need to exclude one another. For example, entrepreneurs or micro-business owners can sometimes use characteristics labelled as feminine while at other times they will use characteristics labelled as masculine. A female self-employed worker can be loving and caring at the same time as she is competitive, independent, and ambitious. Similarly, a male self-employed worker can be gentle, shy, soft-spoken, caring, and loving, at the same time as he can be detached, also ambitious, and yet influential. Male business owners must also 'know about people' if they

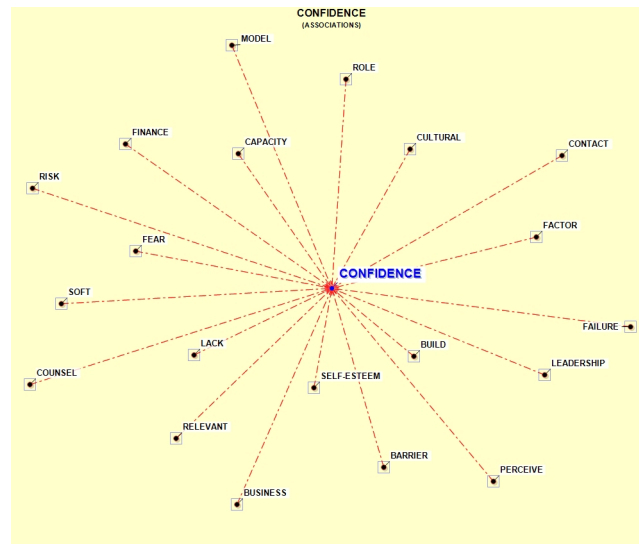
want to sell their products and services to customers. In order to disrupt these fixed gender systems, the dichotomy reflected in our language and discourse must be abandoned. When this happens, then no matters the sex of the individual becoming a micro-business owner, they will not be faced with the stereotypes and limitations, that are structurally, culturally and socially associated with their sex.

9.2 *T-LAB analysis of policy discourses*

The T-LAB analysis of EU policy discourses that I undertook revealed a strong presence of gender stereotypes in the construction of these texts. These texts play a role of major importance because they provide funding and act as a guideline to micro-finance agencies. In chapter 4, I explained how I selected the texts, integrated them into the software and ran a multi-step analysis.

T-LAB results shows a strong presence of discourses on a lack of women ‘entrepreneurs’¹ in particular regarding confidence, fear, self-esteem, training and networks. It is perceived by policy makers that there is a need to counteract these characteristics, which are actually gender stereotypes about

¹ I use the word ‘entrepreneur’ for this part on policy analysis, because this is how policy makers refer to the women they want to promote with micro-crediting. The women I interviewed do not refer to themselves as entrepreneurs – ‘I am not an entrepreneur’, claims Julia. Moreover, all the women I interviewed are micro-business owners with a maximum one employee, and in most cases they are in fact sole traders.



what is expected of male and female individuals.

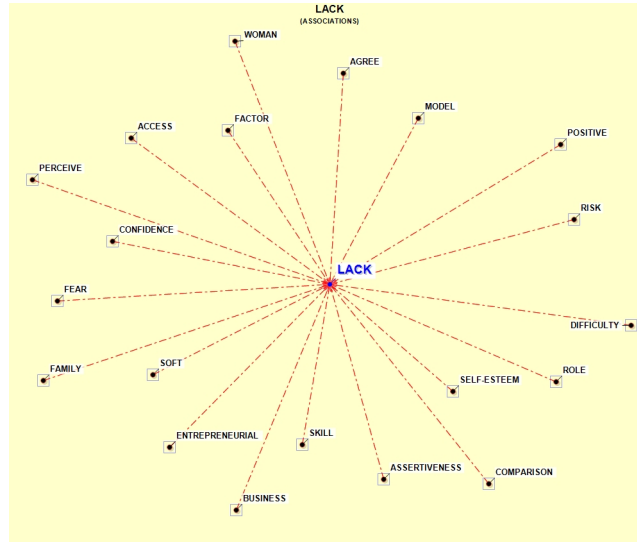
In the T-LAB analysis of corpus 2 (texts on the promotion of women entrepreneurs), the lemma ‘confidence’ is associated with the lemma ‘barrier’, ‘fear’, ‘self-esteem’, ‘soft’, ‘failure’, ‘lack’, and ‘build’:

Just by reading this lemma constellation on ‘confidence’, it would already be possible to tell the story of gender constructs in the discourse of women’s enterprise incentives:

Women lack confidence, and have low self-esteem. They prefer soft outcomes, and their fear is a barrier to their entrepreneurial capacity.

With the lemma ‘lack’ is associated ‘confidence’, ‘soft’, self-esteem’, ‘as-

sertiveness', 'skill', 'woman', 'fear', 'difficulty', and 'model':



This represents what is 'expected' of women as potential entrepreneurs, not what they actually need to face the structural gender factors of self-employment. What is perceived to be a barrier or a gap from either micro-finance employees, work supervisors or policy makers is a typical phenomenon, which is due to specific gender expectations created by culture. There are strong expectations of people to become entrepreneurs in policy documents (whether they are male or female) and the absence of large numbers of women opting to do so needs an explanation – hence the creation of a discourse of lack i.e. lack of self-confidence, lack of self-esteem and lack of training. Studies on ambition confirm this cultural gender phenomenon. There is a popular belief that women are less ambitious than men at work and that this explains gender gaps in career, but, according to the study by Vinkenbergh and van Engen (2005), there are no gender differences in men's and women's ambi-

tions at work (Vinkenburg and van Engen, 2005). However, there are gender differences in the way men's and women's ambition is perceived by managers and supervisors. Their managers perceive female employees as less ambitious than male employees. When managers do not perceive their male and female employees' ambition as different, women receive more promotions in their careers. So, what improves women's careers is not how ambitious they perceive themselves to be but the support that they receive from their managers and whether their managers view them as equally ambitious as male employees (Vinkenburg and van Engen, 2005).

These gender stereotypes are monochrome. They appear in the same way – in a fixed way – with the same vocabulary in all the policy texts. However, the reality is revealed by the women interviewed to consist of a multitude of experiences. Studies analysing gender stereotypes reflect the same use of vocabulary and this is not only valid for stereotypes regarding entrepreneurship (e.g. Ahl's studies) but other sectors as well (e.g. Vinkenburg's and van Engen's research on career and ambition).

These authors' findings about gender stereotypes not only match one another but also match with the dominant lemmas/vocabulary that were revealed in my data by the T-LAB analysis. The masculine gender stereotypes highlighted by the two studies mentioned are: 'skilled', 'assertive', 'confident', 'daring', 'mentally free', 'independent', 'seeks power', 'wants to fight and conquer', 'seeks difficulty', 'optimistic', and 'aggressive' (Ahl, 2006; Vinken-

burg and van Engen, 2005). The feminine one are: ‘unable’, ‘cautious’, ‘cowardly’, ‘subordinate’, ‘self-doubting’, ‘sensitive to the needs of others’, ‘soft spoken’, ‘gentle’, ‘loves children’ (Ahl, 2006, 56-58).

When we observe the lemmas most frequently appearing in the policy texts, we can find the following: female is associated with the lemmas ‘soft’, ‘fear’, ‘training’, and ‘family’. The lemma ‘lack’ (which implies EU policy makers’ perspectives on what women lack to be successful entrepreneurs) is associated with the lemmas ‘skill’, ‘assertiveness’, ‘confidence’, ‘information’, ‘self-esteem’, ‘risk’, ‘difficulty’, ‘positive’, and ‘entrepreneurial’. The dominant stereotypes of femininity and masculinity identified by Ahl, Vinkenburg and van Engen are the same ones that appear as dominant and correlated lemmas in the policy discourse.

Women’s enterprise incentives policy texts are thus a transposition of policy makers’ perceived gender stereotypes, and do not represent what is actually happening regarding gender in the sector of entrepreneurial development.

Gender and diversity management discourses on the sudden need for an ‘other’ entrepreneur is not only found within discourses on business development, but also in other sectors. Recently, other EU policies, insist on pushing more women into, for example, engineering or other exact science sectors (European Commission, 2000). Similarly, the rationale and reasons for justifying the financing of projects and incentives to encourage women into

the sciences is the need for more exact scientists and more engineers, while at the same time, they promote the existence of another way of doing science, that would be intrinsically more feminine, and from which society and science would benefit. The emphasis on ‘special needs’ is also portrayed as, for example, offering flexible working and reduced work schedules for ‘working mothers’, while what is favored in academia for promotions is the number of publications (McDowell and Smith, 1992; Bellas and Toutkoushian, 1999).

The promotion of women into the information and communication technology industry is based on exactly the same argument of economic utility:

‘Getting more women into ICT careers would be a force for change and a major boost for this key economic sector in Europe’, said Viviane Reding, EU Commissioner for Information Society and Media, on the occasion of International Women’s Day in Brussels. ‘With Europe facing a skills shortage in this sector, we must encourage more women to study ICT subjects and to take up a career in this field, so as to increase capacity of the workforce and to tap into women’s creative potential.’ (European Commission Press Releases Rapid, 2009)

Political discourses on women entrepreneurs rely on a ‘need for women’ in some specific sectors, which have been identified as needing reinforcement, a usage of belief in a intrinsically female or male nature of constructing the reality around us (whether it is through science or business development), at the same time that they consider ‘special’ needs for one of the two gendered working individual.

Existing policies aimed at the development of micro-finance, and the tendency to push it for women, stand right in the middle of these contradictory discourses around an economic need for an ‘other’, and an intrinsically gendered nature of working individuals. As long as such discourses remain, there is no possibility or opening for an equal society between individuals. EU gender policies (whether in employment, sciences, ICT industry, on enterprise) will not be gender-equality policies as long as they use androcentric gender discourses of a complementary, different female worker.

The use of the wording ‘the need for more women into’ is also problematic. It is androcentric because it suggests that women are allowed to enter enterprises when they are invited to, or when they have been identified as being needed in this space. Use of this term also implies the need to ask who is this ‘we’ who is identifying the ‘need for women’? Last, it has been long argued by feminist scholars that the term ‘women’ includes not one but several categories of women (Brah, 2000; Charles, 1992; Mohanty, 1988). The term ‘women’ is therefore too broad to constitute the argumentation of the need for women into enterprises.

In the next section I will show that the discourse of women lacking the confidence, self-esteem and training to enter self-employment is also carried out by some agencies.

9.3 *Gender practices in micro-finance agencies*

Marlow (2006) suggests that there is a gendered rhetoric of business start-up support programmes. Programmes in which women are more likely to be found are more designed for work preparation to be self-employed while programmes that more men are likely to attend are more oriented towards strategic tools in entering self-employment.

In an enlightening study on gendered practices in a women-only business counselling service in Sweden (Nillson, 1997), the author discusses identity formation of business advisers and agency legitimacy. Using the term ‘femocrats’, rather than ‘bureaucrats’ and ‘feminists’ she deconstructs how the notion of gender is integrated into business counselling practices in a pilot study for women entrepreneurs in Sweden (Nillson, 1997, 244).

Basing her theoretical framework on legitimacy theories in organizations and on Gherardi’s work on the doing of gender practices in enterprises and organizations, the author puts her finger on a paradox, which she refers to throughout the text as an ‘anomaly’ (Nillson, 1997), in the conceptualisation of business counselling. Gender symbols are also carried by business support agencies, even when designed for women with gender equality objectives. How do we explain this anomaly? This anomaly is explicable by looking at gender symbols. They appear at the level of agencies, of policy making, and there is a lot of coherence between the way these symbols ap-

pear in policy making and agency discourses. The anomaly lies in the fact that micro-finance promoted for women does so by claiming to have gender equal, in some cases, feminist discourses. However, they use the traditional gender stereotypes that relegate women to lower specific roles in society and employment. The suggestions offered for entering self-employment are more about how to keep the roles that they have as women and at the same time becoming self-employed. It is rather a case of 'gender cooptation' and feminist abduction as conceptualised by Stratigaki (2004) and Swan (2010). As in the policies, women are encouraged to keep on traditional gender roles but – on top of these traditional gender roles – to also be self-employed. This is also the reason why micro-finance as it is currently done, and as it currently discusses the problem, is not efficient for gender equality, but rather reinforces it with, for example, having women with very low or no incomes who end up being financially dependent on others. This is a sign of regression for gender equality, as the gender pay gap in self-employment is higher than in waged employment (Boden, 1999; Leung, 2006; Warren et al., 2001; Burke et al., 2002). In the conclusion chapter I will talk about alternatives to this, and what micro-finance and governments could do to avoid contributing to a regression of gender equality.

Women do not really conform to these roles and the images that are imposed on themselves. Self-employed women talk differently about these symbols. There is therefore, a gap between the way these symbols are carried along

and the actual experience of women. Several strongly resist these gender stereotypes, exactly like in non-self-employment.

Starting from the observed statement that business counselling services, those directed at women included, contain a paradox of (1) constituting women entrepreneurs as ‘other’ entrepreneurs (the same is true for ethnic minority entrepreneurs), with specific needs, special aspirations, and specific motivations, and (2) calling for a change in entrepreneurial practices that would be induced by organizational agency, Nilsson analyses how this is portrayed in the practices of business counselling.

Using the term ‘femocrats’ to introduce her analysis highlights this paradox well, this anomaly in contemporary perception and actions of business support for potential women entrepreneurs. ‘What is a femocrat?’ is the question I asked myself while reading this word. I was not the only one since she gives a quite detailed definition after introducing the term. But then the definition called for something familiar, as unutterable as the presence of the paradox itself, identified in the observations, interviews, and discussions with business start-up agencies. Discourses on gender equality use gender as a celebration of difference and to justify diversity entrepreneurship, at the same time as they give reasons to explain. These discourses, which are oriented towards some good intentions of gender equality, nevertheless carry along the remains of archaic gender models.

In the second part of this chapter, I will analyse this more closely along with how gender discourses and practices from agencies meet their philosophical and ideological aims. Or rather, what happens when both working practices and anomalous gender ideologies meet together in the context of business counselling.

Nilsson explains that in the programmes directed at women entrepreneurs, some definitions of what it is to be a 'female entrepreneur' are taken for granted, while at the same time there is an aim for operating agency through change in the field of entrepreneurship (e.g. increasing the numbers of women entrepreneurs in rural Sweden) (Nilsson, 1997).

If we look at my study interviews done with micro-finance agency employees, we can observe a similar effect of gender and entrepreneurial support. Two effects take place:

(1) Firstly, there is a difficulty in talking about gendered constructs in entrepreneurship ('women have no particular experience', 'we act in exactly the same way with men and women', or 'I really don't see why you ask this question', or still 'I cannot really answer that').

In the first case, discussing gender confuses the interviewees, especially male interviewees. John, for example, was very talkative during the whole interview, and related a lot about his experiences as a business adviser, but when it came to gender questions, he suddenly brought it down to statistics:

E: What are the profiles of the women who come here?

I: I could not really tell you that. Maybe a statistical analysis would be necessary for that...

E: In which sectors are they [the female beneficiaries]?

I: I will have a look in the statistics. They are in a variety of sectors. Here you are, the statistics.

E: Do men and women react differently towards business counselling?

I: Oh, I could not really tell you that. Well, I sometimes have the impression, but of course it is only an impression, it is very subjective. I sometimes have the impression that they are more motivated than men. But it is purely an impression. So actually a survey would be necessary on that too.

(John)

When I asked Thomas questions about female applicants, he would not understand why I was asking questions about them in particular. During the interviews, he kept avoiding answers about self-employed women by suggesting I contact a women-only agency:

I think this is a question that is probably better to ask agency Y., because they work mainly with women. (Thomas)

In this way, the question of gender is silenced. Any question related to women is something that he feels only another woman could talk about. Any question that includes the word women, or asked about the experiences of female borrowers would be dismissed. At one point Thomas even got irritated by it, and questioned my own ability/knowledge to conduct the research, which of course also upset me a lot as a female interviewer:

E: Can people put the childcare costs into the business plan?

I: Can people do what?

E: The childcare costs into the business plan?

I: No. It does not bear any relation, I mean, the business plan is related to the business. Why should we? Have you ever seen a business plan? (Thomas)

Asking questions about women was thus perceived as problematic, even though by referring me to another agency – that was only dealing with women – the interviewee acknowledged the existence and the presence of gender.

Female agency employees were less reluctant to give their opinions, on personal analysis of the situation of their female beneficiaries. When asked about self-employed women's experiences, they illustrated their thoughts with examples, and reflected on their experiences during the course of their storytelling. In that respect male and female employees have different discourses about gender specific discourses, with female employees being keen on giving a large spectrum of details about their female participants, while male employees were silent about it, shy or hesitant, or even, in one case, upset to be asked such questions.

(2) The second effect is a statement of gender differences in entrepreneurship, and a recognition of that to different degrees, but this effect takes two directions: (a) an active agency on female entrepreneurship but a protection of so-called 'feminine' characteristics of entrepreneurship, and a celebration of gender differences; (b) a recognition of the existence of different gender ex-

periences based on inequality, but a treatment of it that considers the female entrepreneur as a super-woman, or invites her to be.

For example, Holly claims that ‘yes women have children’, and ‘yes it is hard to combine it with starting up a micro-business’, ‘but starting up a business is hard for everyone’, she keeps claiming through the whole interview. ‘So if you have kids, well, just work at night, or early morning, or bring along the kids with you’. She does not suggest the sharing of childcare work with spouses/partners, or ask about other members of the family, friends, or neighbours who could be involved in the work. Talking in that way implies that women are super-heroes, or should be super-heroes. It encourages them to be entrepreneurs and to keep the childcare. If they cannot manage that they should not complain about it but also there is something defective with them if they do not manage to be these unrealistic super-heroes.

Erika related to this perception of having to be a ‘super-woman’ and that as a woman if you ‘choose’ to be self-employed and to work a lot then you cannot talk about it. That if you refer to the choice of working hard and having a lot of other tasks on the side it is perceived as a complaint, and will be brought back to her by ‘well, you chose to be self-employed, so now do not complain about it’:

You know, the neighbours, they say: ‘Oh you are self-employed?’
And then ‘Oh hello, how are you today?’ ‘Oh, I am a bit tired

today.'. 'Well, don't be self-employed then!'. (...) As if because we had made a choice, that we could not be touched by the consequences of this choice. Yes, we are tired, but it is not a complaint. (Erika)

9.4 *Agency and non-agency*

The constructed image of the feminine 'entrepreneur'² is portrayed as something that is legitimate and positive. It legitimises the existence of a femaleness that challenges traditionally 'male' ways of doing entrepreneurship. Within these discourses, gender differences are recognised, so are their limitations for women, but they are also strictly protected as a right. Gendered discourses on the protection of a femaleness in self-employment perceives the non-pecuniary aims of business creation as something sacred, noble, that should be respected, and even praised.

In the following extract, the agency employee simultaneously criticises and protects gendered social constructs. She criticises the fact that women are socially influenced into specific work sectors since early childhood, and declares it should be changed. Then she uses the term 'naturally' to explain that little girls already choose these sectors at school. After that, she shifts the discourse towards the celebration and the protection of doing entrepreneurship in a female way, a discourse which is also present in academic literature (Ahl,

² In agencies as well, employees talk of entrepreneurship – whilst in reality the women I have interviewed are sole traders and micro-businesses with one employee.

2006):

E: You don't try to influence in any way?

I: No. We won't influence. First of all, someone can only succeed in business and at work if we are convinced and motivated about it. And it comes from within the self, so I am very skeptical about whether one can give ideas to someone. There must be an interest, a passion for the activity on which he will embark. Working on influencing women into other sectors is a work that must be done before. It is working on education and being open minded, and directing little girls already, at school, towards sectors in which they do not naturally go. (...) I want to work with women's competences as they are today. Now, if one woman is not following this pattern, then, all the better, but it must come from her. It is not our role to impose that from the outside. (Jenny)

9.5 The entrepreneur and the super-woman

In this second attitude, there is a recognition of the gender factor, followed by an invitation to women to be super-entrepreneurs, and super-women at the same time. This is accompanied by a statement that women are super-women anyway, and that they can always cope with whatever would be an obstacle to business development or productivity. The following employee explains that childcare, a barrier that the literature on gender and self-employment has declared to be a problematic indirect effect for self-employed women, is a problem that can be overcome:

In terms of self-employment I think actually... that for the women we've met, childcare isn't a problem. They will sort it. Again depending on their attitude. Sometimes the childcare, it's like, 'Well I've got my children so I can't do the work then and I can't do it.' Well do it in the middle of the night or it depends how much you want that business. (...) So what you've got a child, take the child along or something. Now that's great when they're younger, I think the problems come along when they're at school and you're tied a bit more. But then you work late in the night or you work early in the morning and you adapt, and yeah you are tired, but that's all part of it. You know everybody's tired when you're running a business. (Holly)

This interviewee discourse conforms very well with discourses on self-employment offering a flexible working option for women with childcare responsibilities, while literature on childcare claims the contrary (Forsyth, 2000; Rouse and Kitching, 2006).

In the two types of attitudes, both male and female employees are strongly reluctant to discuss change in gendered sector choices with their female beneficiaries who enter very low-profit, traditional gender sectors. Except for one interviewee, they repeat that influencing women on sector choices is not something that can be done in micro-finance schemes. The reasons given are that people's personal and individual choices must be respected at all costs, that influencing people in their sector choices gives higher business failure rates, and that women's choices of doing entrepreneurship should be respected, and protected, thus creating a path towards an alternative, non-male way of practicing entrepreneurship.

9.6 *The lover and the fighter*

The stereotype according to which self-employed men and women conform to their gender, is well translated into the agency discourses as well. For example, one agency has created two different leaflets, one for men and one for women. To men, they give leaflets on which there is the picture of a man wearing boxing gloves. The hands are shown ahead, as if the man was ready to fight something and go forward. These boxing gloves are blue. Women participants receive leaflets with a picture of a woman also wearing a pair of boxing gloves – red this time – but this time she is not fighting or going ahead but is making the shape of a heart with her two hands. Blue for a fight, and red for love. Blue for men, and red (close to pink) for women. Blue for boys and pink for girls. A few weeks ago my nephew, who has just turned four, refused to sleep in the bed that had been prepared for him with a reddish-purple blanket: ‘I can’t sleep in it’, he claimed, ‘I am a boy. And this is a bed for girls.’ Finally, after we explained to him that the colour of a blanket was not what was making him male or female, he finally agreed to sleep in the slightly pink bed. The process by which my four year old nephew gets to make sense of himself as a boy (a non-girl), is the same as the one that leads adult micro-finance employees to decide to have red and hearts for girls, and blue and fights for boys.

The two pictures I am referring to are extracted from the flyers given to me

by one agency at the time of the interview (2007):



Fig. 9.1: Agency flyers

When the agency employee explained this to me, he was very proud of his agency. He spent a while explaining how hard they were working on making their agency gender-equal, and how hard they were actually working on trying to attract women to into their programmes. He said that they thought that, to attract women, they had to talk to them in their own terms, which would be more about caring for others that being competitive on wanting to make money. Even though he kept on claiming too: ‘you know some women do not recognise themselves in this image of the caring one at all. And some men are not at all willing to enter self-employment to make money or be competitive’.

I: The women who start up their businesses with us, do it with a consideration 'woman'. Except a few of them. So it's a project that is done in parallel with the familial project. Much more than a guy. And it's true that... 'You know I still have my kids, I want to bring them up, and my objective is to earn 300 or 400 Euros net per month; to get out of unemployment and have an activity which is... a bit nicer and more attractive to me.

E: So how do you answer to the ladies who tell you: 'I just want to do something I like.'?

I: No problem, Madam, you are welcome. We tell them: 'Listen if you only want to earn that no problem.' Actually, I don't have this here, but we have two leaflets, one for men and one for women. So if you pay attention, the man is a boxer who throws his fist in the air. And the woman, to keep some coherence, she has the boxing gloves but she makes a heart with them. We did that on purpose, to have two leaflets because the man will have much this... hum... will start up much more with hum... yes, hum... even if you also have men who don't think that way – OK, you also have women who are in the picture: hey wait a second, I want to make tons of money!'. (Sam)

The agency employee explains that having two specific messages to address programme participants is done on purpose. The boxing gloves to represent the male participants refer to a fighter, which is a typical common representation of what it is to be an 'entrepreneur' (Ahl, 2004). Female participants in the programme are addressed as a derived version of this. The primary use of a pair of boxing gloves is not to make a heart with them, but to fight, and have a boxing match. By making a heart with the gloves, this image represents well the implicit discourse of a would-be existing feminine entrepreneur: the woman is doing something different with entrepreneurship than what is subconsciously thought of as entrepreneurship by all of us: fighting and com-

peting in a globalised capitalist economy, where those who do not fight, do not win. Agency employees who wish to have a different economy are looking for that when they mention a female entrepreneur. What they are looking for is a different way of doing business, and this is what they try to sell and promote in their corporate discourse, and which comes back so strongly in their vision of gender. The picture also symbolically refers to something else. Women are not only using the boxing gloves to love and care for others, but they are using the gloves which were meant to be used in order to fight, and which, according to the picture, were meant for men to use. This picture of the loving female entrepreneur with the heart instead of the fighting gloves is derived from the picture of the male entrepreneur ready to fight with the gloves. It is a substitute for it, it was created on the basis of the initial picture of the male entrepreneur with the blue pair of gloves.

This quote suggests two further elements. As the interviewee explains that they have one leaflet for men and one for women, he realises the impact of the existence of these two different, highly gendered leaflets. He unconsciously refers to the dichotomy of the breadwinning role versus the component wage role (Siltanen, 1994; Hakim, 1998). In his discourse he was associating men with the breadwinning role whilst he associated women with the component wage one. Suddenly, he starts hesitating, stops talking, thinks again, and realises that he regularly meets male applicants who do not identify with of the stereotype of the male breadwinner and that female applicants do not embark

on business ventures with an altruist attitude towards entrepreneurship, as suggested by the drawing of heart with the hands. During the interview, he refers several times to that aspect, that several of the self-employed people with whom he works do not fit at all into these gendered representations of entrepreneurship.

The symbol of these gloves also reflects the picture of the construct of a would-be female entrepreneur, constructed on the basis of a would-be male entrepreneur. In this case, the boxing gloves have been derived, transformed into something they are not, to create a picture of the entrepreneur that would better suit women. Originally, boxing gloves are to fight, it is what they are for and no one should question that. The function of boxing gloves is not to draw the shape of a heart with them. The person who designed the advertisement therefore, first thought of using the boxing gloves to show someone who would become an entrepreneur, who would create their own business. The person on the leaflet is a man, and is pointing his fist in the air. Then the person who designed the leaflet thought of creating one for women. After thinking of the man fighting with his gloves, he thought of a woman making a heart with these gloves. The association of the female + the boxing gloves + the heart was then created on the basis of the male entrepreneur who is ready to fight for his 'enterprise'. It is the female entrepreneur who was created on the basis of the image of a male entrepreneur.

The effort not to be sexist and to be 'gender sensitive' is an aim in this

agency. It is part of the discussion, and much work is done to meet these gender equal objectives, and I am sure as well that this agency would not discourage a woman who wanted to start up a construction micro-business. It shows that, even though strong gender stereotypes are reproduced about a would-be female and would-be male entrepreneur, there is a discussion about it, which is not the case in other agencies. It suggests as well that this discussion about gender can be challenged, and may be a phase for some of these agencies. Why am I claiming that? Because even though the colours are still there (red gloves for women and blue gloves for men), today they have deleted the tracts with the heart. This shows the possibility of change, variation, and a discussion in the field.

9.7 The unconfident and under-trained entrepreneur

This next section shows how, after searching for justifications for pushing the ways in which women into self-employment, policies justify the ways in which women are ‘different’ (automatically feminine), and therefore, need to be pushed ‘differently’ than men. One of the most striking signs of this perceived difference is the idea that women find it hard to enter self-employment and earn low incomes because they lack self-confidence and training. This also implies that male entrepreneurs have these characteristics and skills more than female ones, and that this would be the reason why they would be

more numerous in self-employment. So far this assumption has never been proved.

The policy discourses present self-employed women as having special needs – handicaps – that have to be ‘overcome’. Agency discourses reproduce these policy discourses, and base their activities around the presumption of an underrepresented ‘entrepreneur’, ‘with special needs’, which need to be addressed. They try to address it by promoting micro-business ownership. Both agency and political discourses define self-employed women as lacking self-confidence, and as lacking training. The words ‘confident’, ‘self-confident’, ‘confidence’ and ‘self-confidence’ appear 56 times in all the interviews. All of the references to a perceived lack of confidence in women are from interviews with employees in micro-finance agencies, none from the women entrepreneurs themselves. In the next quote, Rachel spontaneously mentions that women follow their training because they want to increase their self-confidence:

It’s just that they’re interested or maybe they just want their confidence built up, which is one of the courses in the pick and mix we do. (Rachel)

Exactly the same words are found among other agency interviewees:

And a lot of what we’re doing initially is also about helping people

build their own confidence. Some of the difficulties can be... well, under-confidence is the main one. (Fiona)

or:

And it's just helping them gain confidence. So that was a lot about what the project was about, so we did that through coaching. (Holly)

and:

Do you know what I mean, it's your confidence, your attitude that you need to get back. (Holly)

Holly also adds:

It was her own fears really that were stopping her. (Holly)

Research does not recognise any evidence of a gender difference in confidence and self-esteem. Actually, research on women business owners and gender differences in self-employment checking for the self-confidence factor does not find any effect by gender, even when their initial hypothesis was that there would be gender differences in confidence. 'Male and female entrepreneurs

appear to be equally confident and to have similar opinions about their ability to influence business outcomes through their own efforts' (Kalleberg and Leicht, 1991, 153).

Lack of self-confidence is not found among the women that I interviewed, and some actually even criticised this aspect of compulsory training. I did not find that the women I met lacked self-confidence. None of them mentioned a lack of 'training' as being a barrier to their business viability, or a difficulty. And by recording the long and detailed descriptions of their products, of their business strategies, and of the complexity of taxation systems, it did not appear to me that this was the problem behind their low income-generating business ownerships.

The women I interviewed did mention some serious difficulties with unbeatable international competitors (e.g. multinationals in the dress-making sector), and with small profit margins due to the low-profit sectors in which they have embarked. This makes sense because small service and retail businesses, in which a large proportion of self-employed women are found, 'require minimal start-up investment but face intense competition' (Brush and Chaganti, 1998, 233). They talked about the human physical incapacity to do eight massages a day for six days a week, to sew 10 party dresses in one month and sell 120 of them in a year, or about the practical impossibility of spending time creating hand-made hats, and at the same time be in the shop dealing with customers. In other words, a main problem of business owners in these

sectors is that they cannot multiply themselves at work, and that they cannot do this for free. Their business profits are too low in these sectors to cover the labour expenses, as we will see in Chapter 6.

One interviewee in the viable group Amy mentioned that she had played the game of the training to keep on benefiting from the advantages offered by the support programme, but that she had found better results in drawing on her own resources to deal with one aspect covered in the course she followed, namely on networking. Business training and financial literacy is a factor that plays a role in business viability, but male business owners need it as much as the female ones. However, despite what is said in agency and policy discourses, female business starters are not more in need than male ones of courses on developing their confidence, on learning to organize themselves, on personal development, on developing their creativity, or their autonomy. Male business starters could equally enjoy the benefits of discussing their business ideas with other business starters participating in business support programmes, and there is no objectively justifiable reason to reject men from this peer support and mentoring system, much as there is no scientifically proven reason why women need it more than men to succeed. A similar gender bias therefore, appears with perception of the need for training. The word training appeared 64 times in agency discourses, where training is presented as a lack and a barrier to women's self-employment. Out of the 20 self-employed women interviewees, 17 of them had higher education degrees,

which shows that they may be lacking financial training on specific financial topics, but does not prove a higher need for education or training than men have. There is no evidence that training is more of a lack for female self-employed workers than for male ones. Women in self-employment are more highly educated than men in self-employment (Arenius and Autio, 2006; Parker, 2004). Four agency employees repeated that they have found that female applicants hand in better-prepared, more precise, and more detailed business plan proposals than male applicants. This therefore, does not support the view of women as more under-trained than men. Moreover, there is no particular need for gender-specific training in self-employment (Robson et al., 2008; Fisher et al., 1993).

9.8 *What do women say about it?*

The focus on lack of training and lack of self-confidence is very present both in agency and policy discourses, but it is not found in the discourses of the self-employed women I interviewed. There is therefore, a gap between what is identified by policy makers and agency employees of what is thought of as a problem in the development of female self-employment, and the actual experiences and problems met by the self-employed workers themselves. ‘Prescriptive’ gender stereotypes expect niceness from women by default (Rudman and Glick, 2001). The niceness expected from women goes hand in

hand with the expectation that they lack confidence and suffer ignorance that justify training. Rudman et al. (2001) have found that even when they are agentic, women still need to perform nicely if they want to be better accepted in society, for example, by being hired for employment. What drives the initial hypothesis in research and assumptions in policy making and agency employees therefore has nothing to do with self-employment or business creation and the attitudes of women to it, but clearly comes from prescriptive gender stereotypes. Indeed, no research has established a link between lack of confidence and lack of training for women business owners that would penalise their start-up (Kalleberg and Leicht, 1991; Robson et al., 2008; Fisher et al., 1993). There is a gap between the imagined problems of female self-employment (lack of self-confidence, lack of training), and the real problems of female self-employment (sector choices, time available, and lack of free helpers). There is a transfer of prescriptive gender stereotypes into the structural effects of self-employment. This explains the gendering of micro-finance into the claim that women lack training and confidence.

Three interviewees in my study talked about using some disrupted strategies linked to these masculine/feminine categorizations. Some women mentioned how they were ‘flirting’ with customers and suppliers, how they were at other times pretending to be naive and ignorant, in order to be confirmed as a ‘harmlessly feminine’ creature before starting business negotiations. In these ways, Alexandra mentioned that she regularly jokingly played with one

of her suppliers, calling him her ‘toy boy’, while he called her ‘his princess’:

And sometimes as a woman you have certain advantages I mean when you do marketing, it's... I think that you sell more because you're a woman. Except if you are selling to another woman. But most of the time, most of my clients and most of the decision makers in my clients' organizations are men. And even with my suppliers. I don't know, it just seems easier with men than with women. So I think that it's easier for me to sell more to men than to women decision makers. So that's the advantage. (...) Sometimes they make comments but I think that all men try but you have a role to play. So that's part of your marketing. I mean like yesterday I went to see a client and he said 'what do we do now?' So I said 'what do we do now?' and he said 'let's go to my office', and I said... – and of course you see that he was completely joking, and... you join in the joke and it's also true that I have had flirtations with many of my clients, and I think that... as long as it stays health and clean that's fine and as long as you yourself decided not to go further, that's also fine, and I have men clients and men suppliers who have actually become very close friends. And even as close friends we make jokes about it. You know like one of my suppliers, I call him 'my toy boy'... and hehe! So and he calls me his princess so that's... As long as it stays fun and you are very clear with that I don't think that you'll encounter a problem. (Alexandra)

Elisabeth explained that she pretends to be naive, and asks questions of her suppliers as if she knew nothing about it, and she claimed that would give her access to lower prices. She also explained that flirting is present in negotiating:

I don't think that I am female and that it does not give me the opportunity that I want. In some instances it can be very advantageous, because you are dealing a lot with men, because all the people I work with are men. So, although they might not think I have the technical knowledge – but I have it so... – I am not bossy, but I question everything, so I will never take their answers as it is. Because I am always trying to find the best solutions for the cheapest price. Haha! And so, I don't think that my gender has been a problem. And often you relate to them because there is a bit of bouncing, a little bit of flirtation. I think it's rather a question of personality rather than being a man or a woman. (Elisabeth)

In response to these gender stereotypes, women who do not want to conform to them sometimes went to another agency, such as Alexandra, who thinks that she looked over-confident and was too well dressed on the day she presented her business plan and asked for a micro-credit, and that this explains why she did not obtain the credit. Others (Erika and Kelly) resist by arguing and saying out loud how much they disagree with these prescriptive stereotypes. And some tried to play the game of the stereotypes, by 'pretending to be ignorant'. For example, this is the case with Elisabeth, who pretends on purpose to be naive in front of her suppliers because she says she gets better deals with them when she does that.

Therefore

women, then, remain in a bind. Engaging in agentic behaviors allows them to overcome prescriptive stereotypes of less competence (Rudman, 1998), but dominative agentic traits, such as

being forceful, directive, and competitive, are incompatible with a prescribed communal orientation. (...) Although a woman is likely to be seen as competent when she assumes a masculine type of leadership, she risks being judged as insufficiently nice. (Rudman and Glick, 2001, 745)

Therefore, although she is a very agentic woman, Elisabeth pretends to be naive and ignorant in front of her clients, so that she, arguably, gets better business deals. She also engages in flirtation, and is 'nice' to her male suppliers, so that, as well, she claims, the business relationship with these male suppliers works better. Interestingly enough, she also claims 'I am not bossy'. She says that because she thinks that being bossy may put her commercial negotiations at risk as it is perceived negatively and does not conform to the prescriptive gender stereotypes defined by Rudman (2001).

Lacking self-confidence is an issue that comes back throughout the whole policy discourse and in many interviews with employees. It is mentioned in the literature as a barrier met by women entrepreneurs, and is also mentioned by business support agencies. However, I will show later that it is never met in the interviews. None of them actually talk of not feeling confident, or being insecure about this. They mention lack of time, or stress due to financial problems, but they never mention lack of confidence in their narratives.

There is a gap between what is perceived by policy makers and micro-finance agency employees as being a barrier for women in self-employment, and what women actually experience from self-employment. Policy makers and employ-

ees think that women lack self-confidence and training. However, these two issues do not appear in the experiences of the self-employed women I interviewed. None of them said that she felt she was not self-confident enough to be self-employed, and none of them said that they used micro-finance agencies because they were lacking training. Nothing in their accounts in their interviews reveals a lack of self-confidence, and I could not find anything that was said or done by these self-employed women that would reveal a lack of confidence. Lack of confidence is therefore a theme which is overwhelmingly discussed from policy and agency perspectives but which is not found among self-employed women.

This also suggests that there is a gap between what agencies and policy makers perceive as being direct gender effects, and effects due to other aspects of self-employment that find their cause in structural effects. For example, it is often claimed that self-employed women are more risk averse than men, but in fact this is only an effect of them having fewer savings and less collateral than self-employed men (Carter et al., 2007). What employees and policy makers attribute to attitudes (such as being risk averse, or being under-confident) are actually linked to structural gender effects of self-employment, in which a man in exactly the same situation would experience self-employment in the same way.

9.9 *Gender and self-fulfilment in micro-finance*

The quest for self-fulfilment, self-actualization and self-development are features of modern, post-industrial societies (Fenwick, 2002; Swan, 2010). In this context, gender becomes an interesting space to explore in micro-finance because self-employment is sold as one way to provide self-fulfilment, independence, and the actualization of individuals' dreams. Women in Group 2 are good buyers of these discourses and have started self-employment with that motivation:

I think that the human being needs some form of self-actualization. It's like women who need to create something in their lives, whether it is a child or something else. Everyone needs that. (Julia)

Agencies that do micro-finance for women only also base their training and programmes on this discourse of self-fulfilment. Because women are culturally less associated with breadwinning roles – as seen in the previous chapter – the self-fulfilment and self-actualization discourse on self-employment, that it is less a quest for money than a quest for self-development, is finding a space to promote micro-finance to women. Agency employees, in these cases, become 'cultural intermediaries' (Swan, 2010), seeking to help women in developing their self-fulfilment projects. When gender interferes with a search for the self, it can become quite catastrophic, with women registering on a

micro-finance programme but finally entering a form of pseudo group support therapy. Alison, for example, claims that at some points, it became very 'emotional'. She also adds: 'Imagine 15 ladies constantly together during four months, as you can guess it is not always easy' (Alison).

Julia explains that self-employment is more self-fulfilling than waged employment, that it allows for self-actualization in a way that waged employment does not, that

there [in waged employment], they [women] would not self-actualize, or at least, not deep in themselves, I believe. (Julia)

Later on, the same interviewee says that this micro-finance programme is 'like a therapy' (Julia).

Any change... Women will change and the people around them accept with difficulty that they change. This course, it is like a form of therapy. Many things exploded, among each of us. And not only among us, but also in the people around us, our partners, children, parents also. Some us of us really suffered a lot. (...) Actually I think that this should be one aspect of the project, that we should have had one additional workshop with a [female in French] therapist. (...) The therapeutic component [of the micro-finance programme] is extremely important. (Julia)

In this interviewee's account, the business support and training are perceived and experienced as bringing self-actualization, transformation of the self

(‘change’), and as having a therapeutic effect. Swan (2010) argues that we are in an era of ‘therapism’ (Swan, 2010, 3), in which all sorts of forms of pseudo therapies have emerged. In this regard, we as individuals are constantly pushed to improve themselves, to become better – she argues – to better service a capitalist economy (Swan, 2010). We are also constantly encouraged to search for our inner self, and this quest for the self and self-actualization is encouraged through a transformation of the self. She also argues, and this is where this issue joins the problem of gendering micro-finance programmes, that women’s magazines and self-help books targeting female audiences all praise this idea of a quest for the self, constant ‘transformation of the self’, through cultural intermediaries (Swan, 2010). Micro-finance agency employees managing programmes for women only are the cultural intermediaries of this growing value of self-transformation, the quest for individualism, in the American-style group therapy of micro-finance programmes. They are ‘femocratic’ (Nillson, 1997) in the sense that they do micro-finance, not with a feminist version of micro-finance, but with a women’s magazine, self-help version of therapeutism, in which self-employment is one way to reach self-fulfilment and actualization of the self. Nillson (1997) calls it ‘femocratism’, but Stratigaki (2004) talks of a cooptation of gender concepts. In her book, Swan refers to the ‘abduction of feminism’ (Swan, 2010, 85), in which some feminist ideas are re-appropriated and lose their feminist components.

A study by Fenwick (2002) also shows that

not only contradictory desires are closely integrated with identity in the transition to enterprise, but also that some women's desires appear to form resistance to aspects of conventional models of business development (Fenwick, 2002, 703).

This finding explains that micro-finance programmes are being gendered for women in particular and that this approach gives rise to women having all sorts of desires regarding it. There are, indeed, contradictions inhabiting both female participants in micro-finance programmes and agency employees. Work is being highly flexed and individualized (Fenwick, 2002; Walby, 2007; Mayne et al., 1996). Micro-finance and its gendering take place within discourses about the flexibilization and the individualisation of modern work.

In the interviews, women in Group 1 present an unproblematic account of their life experiences and self-employment. Their motivation for starting a micro-business ('working in their field and earning an income') match with their current experiences of self-employment: they work in their field, they earn an income, and this income is regular. Also, in the case of Group 1, the micro-finance agency aims are unproblematic: even though self-employed people have lower security than in waged employment, jobs are indeed created and the objective of financial autonomy is met. In this group, interviewees' reasons for staying in self-employment are also consistent with their initial work projects: they have not chosen the easiest or most comfortable career option but they cope better in negotiating work, incomes and personal lives and, as a whole, report satisfaction with their career choices.

Group 1 motivations and their work and income objectives are also very clearly defined and enunciated. Even though their business products are not always tangible, their objectives and goals in their working lives and self-employment are. Their motivations and their work outcomes are straightforward, as are their business practices. For the first group, it is possible to answer the two questions ‘how?’ and ‘why?’; they have entered a career as a self-employed worker and remain in it.

Group 2, as stated in the introduction to this chapter, are more problematic and they represent an ‘at risk’ group of micro-business owners. Their motivations for entering self-employment do not match their current experiences and threaten the dream of ‘being self-fulfilled’ and ‘finding oneself’. Women in this group are sensitive to self-actualization discourses on self-employment. Swan (2010) argues that the problem is not so much the fact that these women are longing for self-actualization, but the fact that they are entering structures that promise to fill in these longings of the self. This second group has less clear and less well-defined career objectives, and micro-finance programmes are one way among others think of a career path. These women are attracted by the ideas of peer lending support and find in women-only business support programmes some comfort in starting up a new project in which they think they can ‘self-actualize’.

Julia talks of her reason for entering self-employment as a childhood dream, that nothing could stop, even not earning any money:

It was a childhood dream. Actually once I was interviewed about that for a magazine, on a paper on childhood dreams. And as a matter of fact, I have wanted to do that since I was little. So it has grown in me for a very long time. Even if I don't succeed the way I want to succeed, it has been there for a very long time. You know what triggered this? As a child, I used to see my mother sew. We were many kids at home, so she had no other choice than sewing our clothes... and she liked it as well. So what triggered this in me was seeing the 'singer' sewing machine. I even have two of these. This image got stuck in my mind. I thought a sewing machine was magic, the way the thread would go in and out all the time, and that after this each part holds to another, I thought that was magic. Then later I started to sew myself and I remember that everyone used to tell me all the time: you have a gift. (Julia)

At several points in the interview she mentions the fact that this is part of her, that even though sometimes she has thought of stopping it, and that her partner has tried as well:

This has always been part of my life. So sometimes, I feel that... You know because my partner always tells me: 'Look, why don't you do something else?'; because it is true that I am not really earning a living, but I don't want to do something else. I keep telling myself: this is my job. And when I do something, I am passionate. I do things fully. I need to create, I need this dimension. It is part of my life. (Julia)

The desire to be self-fulfilled, to work on their own, to do something that they like is driven by a rationale of wanting pleasure in life out of everything, even from work. It is also driven by the belief that what matters is the

individual, and their inner ‘selves’. It would be possible to do these activities on the side as hobbies. It would also be possible to do them as hobbies, and even to sell the products, and yet keep a part-time job on the side that would ensure a minimum income that would be higher than what they earn out of self-employment in these sectors. This also explains why, in collectivist societies, micro-finance is based on peer-lending groups, and that it is important to follow the rules of the social group for the credit to be provided. In Europe, there is a strong emphasis on the self and that what shapes an individual’s happiness is related to individual development, so to obtain a credit is associated with training, and a desire to be self-fulfilled as an individual.

After searching for self-fulfilment and self-actualization in self-employment, interviewees in Group 2 mention their disappointment with the realities of self-employment. The promises are not met. In some cases, they have found that developing a hobby into a business makes the activity boring when done on a repetitive basis and for several years. Others say that they were not aware that being self-employed required so much financial knowledge and managerial work and that they are overwhelmed by this aspect of the work. They did not expect it, and this very pragmatic, financial and managerial aspect of the job of being self-employed and having to do everything by themselves does not fit with the image they had about being self-employed. They thought that they could be more creative in self-employment, and have more

freedom to develop a project that they liked. However, there is a gap between their fantasy image of self-employment and what their current experiences of it are. At the end of the day, studies report that – in contrast to the image that is portrayed about business development - self-employed people are more stressed than waged employees, less satisfied and have more psychosomatic health problems than waged employees (Jamal, 1997). Women in self-employment also suffer more from physical illnesses than men in self-employment, and than women in waged employment (Parslow et al., 2004). In my sample of interviewees, the three women who were suffering from mental or physical stresses were in Group 2. One of them, Helen, had a zona, a disease that is typically associated with increased of stress levels (Mehta et al., 2004; Rozlog et al., 1999).

As explained in the previous chapter, women in Group 2 are inclined to maintain more traditional gender dynamics within their household. Their strong identification with motherhood and with having a lot of free time for their children is not compatible with their experience of business development, as they spend more time at work than when they were in waged employment. For this second group, it is difficult to explain why their businesses have failed to prosper and to identify which career choices have led them to be in their current working and financial situations.

The interviews with agency employees did not help to shed light on this puzzle. Indeed in one interview with an agency employee as to why women

continue with micro-businesses that bring no visible benefits, one respondent simply replied: 'We don't know ourselves to be honest' (Naomi).

Fenwick (2002) asks the question:

How do people come to desire work through self-employed enterprise, often entailing personal and economic pain? (p. 709)

Her explanation is based on psychoanalytical theories of enterprise creation as the expression of a desire and with philosophical analysis of this 'desire' as an enactment of 'individualisation' in post-fordist western societies (Fenwick, 2002, 704). In this context, women see micro-business creation as a way to create alternative forms of work but also to express themselves as desiring individuals searching for fulfilment in employment:

Awash in desires forming the cultural stew of western society's late modernity, the individual feels compelled to pursue personal development, purpose and fulfilment, relationships, creativity, even spiritual growth through employment (Fenwick, 2002, 706).

Women in Group 2 have aspirations about work, which reflect this increase in individualism in the EU. What Fenwick's study does not answer is why this desire overrides reality to the point where women sacrifice their economic independence to pursue this 'urge' for self-fulfilment?

9.10 *Individualism and the idealisation of self-employment*

To be self-employed... I think it's like what you say in the word 'self-employed' is, your 'self', you try to do everything by yourself.
(Nancy)

Micro-finance is a story of idealism. Micro-finance is presented as a way to gain a professional status, to earn money, to manage childcare and as a solution to unemployment. In individualist societies, it is also presented a means to help people 'fulfil' themselves. The self is a very important aspect of micro-finance programmes. On their website, Agency A advertises their micro-finance programme for women with the phrase 'It's my life and it's now or never'.

Nancy's reflection about what it is to be self-employed illustrates well the notion of individualism that prevails in self-employment. Previous data excerpts have demonstrated that people's motivations for entering self-employment, or for dreaming of entering it, are either linked to a desire to 'fulfil themselves', or to be in control of their own work, to be working on their own, either not having any boss or 'to be their own boss'. Each of these reasons idealises self-employment. Self-employment is not only expected to provide an income, it has to make people happy as well. Unfortunately, the constraints found in waged employment are also found in self-employment. The work that was imagined to be perfect before it becomes your livelihood be-

comes just another task, and the yoke of the boss is replaced by customers' requests and their need to be 'served'.

The idealisation of self-employment is a feature of Western European society. Conceptions of happiness vary depending on whether the individual is from an individualistic or collectivist society (Pflug, 2009; Rego and Cunha, 2009). In individualistic societies, the self is a core centre of happiness, and happiness is lived as a linear movement from unhappiness to happiness, in which 'happiness' around the notion of self is the ultimate goal that everyone should strive to reach (Pflug, 2009). In collectivist societies, individuals' happiness is derived from an harmonious relationship with their social group: the more they fit in, the happier they feel (Pflug, 2009). But also, in collectivist societies, moments of happiness and unhappiness are perceived as intermittent life events. This explains why European discourses on micro-finance contain this ideal of reaching a goal in self-employment, and are strongly associated with self-fulfilment, with reaching a dream, and with helping people to obtain these goals. Training in micro-finance is constructed around this notion of business success through individualisation of the self. Training is composed of courses on how to increase self-confidence, on how to develop the self, on how to boost self-esteem. Advertisements for micro-finance programmes present messages of helping people to fulfil their dreams, e.g. the 'It is now or never' of Agency A.

Similarly, agency employees also seek happiness in work by helping people

reach idealised goals. When, at the end of each interview, I asked agency employees what they liked about their jobs, they all answered that they liked working with people, and helping people. They all speak of the humanitarian and social aspect involved with their work. Thomas for example, says ‘I like helping people, disadvantaged people’. Hannah said that she wanted a change from the traditional financial sector where she used to work and that she perceives the agency for which she now works as ‘vital’ for society, and as vital for social inclusion:

And... the problem of social exclusion... Having worked for a bank I used to see quite a few people who would be declined for loans, credit cards. So I know there’s a big problem there where people aren’t able to access mainline or mainstream funding. And if they have been in a situation where they’ve been unemployed or they’ve been out of the workplace for a while, it’s very difficult for them to get back into it. So I think something that we offer is... is vital. And I think there’s a big need for it and there should be more of us really [laughing]. (Hannah)

In the interview, Jenny repeats that ‘it’s aimed at improving people’s lives, micro-finance. Rather than profit.’

What is extremely interesting in terms of micro-finance is the difference between the values and thinking of micro-finance agencies and the micro-finance policies. The EU policy discourse has a strong orientation towards economic growth, and saving public expenditure on unemployment. This is a liberal

and non-altruistic discourse, since the first aim is to enhance growth and profit. It is concerned, not with the fact that people suffer from lack of jobs, but with the fact that public spending on welfare should be limited.

On the other hand, all the agencies talk about helping people, in particular ‘disadvantaged people’, for the sake of humanity, and avoid discussions of growth and profit. Agency employees dream, it seems, of an alternative society in which it would be possible to have another type of economy, not oriented towards profit, but towards ‘human lives’ and that does not pursue growth as a goal. Jenny also claims that the aims of her agency are to promote an economy, that is different, not based on profit but on solidarity and sharing among people. Their aim, she says, is to ‘use the money for another economy, and to favour an economy that does not exclude a category of the population’ (Jenny). She presents this aim at the very beginning of the interview, and several times through the interview she repeats that this aspect is ‘a very important part of our organization’. Throughout the interview, she also repeats that they have no expectation or desire that the micro-businesses must grow.

There is a conflict between the utilitarian discourse of policy: ‘increasing growth’ and ‘tackling unemployment’ at all costs, and the altruistic discourse of agencies of ‘helping people’, ‘creating an economy which is not based on profit and growth’.

European micro-finance employees therefore carry discourses of individualisation, of the importance of developing the self, a self with a ‘better life’, in a context of social justice and social idealism. Within this idealisation of self-employment and micro-finance, and within these socially oriented agencies, two types of discourses occur. One is more pragmatic and oriented towards being realistic about the limitations of micro-finance, and of self-employment. It is translated into sentences such as ‘self-employment is not for everyone’, or ‘self-employment is risky’. These agencies place a higher emphasis on trying to have an idea of people’s incomes in self-employment, even though decisions to ask about people’s incomes are not extracted from the agencies’ methodological guidelines, but remain the decision of the employee. The second type of approach is highly idealistic. In this case, dreams, desires to do good, and hopes for a change from a capitalist towards an egalitarian and environmentally friendly society are very present throughout all the interviews.

9.11 *Conclusions*

My findings in this chapter show that there is an exaggeration of gender effects that are attributable to non-structural factors. Micro-finance policy makers and agency employees make gender a question of character differences, with women apparently suffering from low self-esteem, and being low

in confidence. As shown in this chapter, this is not really the case. Rather, these imagined disadvantages of women come from ‘prescriptive gender roles’ (Rudman and Glick, 2001).

Recent comparisons between men and women seeking business support into the service sectors in Scotland suggest that there is no actual need for a gender-specific advice in self-employment (Robson et al., 2008). In Robson’s study, the differences between men and women are caused by differences in business sizes and business sectors. Differences in size and sectors would constitute a valuable reason why a gendered-specific type of advice in business start-up support would be needed (Robson et al., 2008). This does not justify the need for different support regarding training or communication, but rather in strategic differences linked to different sectors, and business sizes. In fact, the issue of gender in micro-finance is currently addressed from a perspective of a difference in personality, whereas in fact it is structural causes that form the basis of gender differences both in self-employment and access to finance.

The question of whether there is a difference in performance in micro-businesses has also brought into question, as research into the field shows no actual evidence of women under-performing relative to men (Chell and Baines, 1998). According to this same study by Chell and Baines, it even ‘appears that there may be as much variation within the gender category as there is between gender categories’ (Chell and Baines, 1998, 133). Exactly the same

conclusion has been reached by Ahl from her theories on the construction of a would be, but non-existent feminine entrepreneur: there are more differences in entrepreneurship between women themselves than between men and women (Ahl, 2006).

The data collected for my PhD are on self-employed women only. So it is not possible for me to check in the context of my PhD what are the incomes of micro-financed self-employed women in comparison with micro-financed self-employed men in the agencies I have studied. However, my research does show variations between women, with one group of women earning a minimally viable income out of self-employment, and one that does not. There are therefore major differences between women: they experience self-employment in different ways, self-employment has had a different impact upon their lives, and they are economically differently affected by it.

What is needed is not a different approach to training or support that would encourage women into becoming entrepreneurs, but adequate business support that challenges women about the choices they make in self-employment, especially when it comes to sectors and market niches. There is no such thing as a female entrepreneur (Verheul, 2005), but rather structural gender effects in micro-business ownership. This is good news both for policy makers and for researchers, but also for self-employed people: structural (palpable and factual) factors of gender in self-employment are much easier to fix than non-structural factors (non-palpable, non factual). It is probably easier to

explain to future self-employed workers that a choice of sector will have a high impact on their future economic lives and well-being than encouraging them to change levels of self-esteem or self-confidence that have no impact upon micro-business development.

This chapter has stated that the ideologies, underlying the problems, limitations, and dangers of micro-finance are based on a problematic organization of gendered categories, in which female individuals are allowed to enter the field only by following the tacit rules of prescriptive gender stereotypes. These stereotypes define a model according to which female business owners have to be feminine, and male business owners have to be masculine. This female business owner is gentle and caring, ‘knows about people’. She is neither a competitor nor a fighter but likes to work with her peers (which is where the notion of ‘peer-lending’ comes from), and is trustworthy and honest by nature. According to this image, she *prefers* to develop non-profitable businesses, and is motivated by a notion of ‘sacrifice’ for those she ‘loves’. The key point of the problem lies exactly there: that women who want, or have been identified as a policy target, to enter entrepreneurship are mainly encouraged to do so by being ‘feminine’, while men are offered pictures (e.g. comparing the business starter to a boxer) and courses which are labelled as ‘masculine’.

There is an effect of ‘gender cooptation’ (Stratigaki, 2004) in the way that micro-finance policies are currently designed. There is a clear claimed inten-

tion of gender equality, but it is the sort of gender equality that maintains traditional gender roles in society. Ideologies of self-fulfilment have appeared to be filling this gap of a justification of why women would be more motivated than men to enter non-viable self-employment. These two effects, of gender cooptation and individualistic societies' quest for self-fulfilment at work have created a prosperous site for gender inequalities and micro-economic exploitation of women into self-employment.

In the next chapter – the conclusion – I will give alternatives that I think would better serve the needs of women who wish to earn a viable and bread-winning income through self-employment. For example, there is for example a lot to do on the sector aspect of micro-finance, that has shown some good results. Then, it is important to stop doing femocrat types of business support for women micro-borrowers, because it can degenerate into a regressive form of gender 'equality'.

10. CONCLUSIONS

If I was going in back in the past and talking to the woman who was on that ferry five years ago, I would certainly have many things to tell her. I came to the UK with a certain luggage of knowledge, some of it given to me by my own experience of things in the field of micro-finance, other part of it given to me through histories of gender biases of which I was a critic myself but also a reproducer. Even as a feminist there were assumptions that I had brought with me that I put in the field of what I thought were feminist thinking. I therefore assumed that women were lacking confidence because of social constructs and that programmes promoting business women and entrepreneurship were a good thing that would reverse a balance I imagined being a problem. My knowledge at the time was partial but valuable. I would now criticize the opinions of this person on the boat, yet, I remember how – still in my Masters year – I was holding onto this experience similar to someone handling a valuable piece of paper that represents some valuable truth. I had experience of the practitioners' world in micro-finance and it would be the starting point of questions and investigation. I also think that

it led me to understand the role perspectives play in changing both with additional experience and time. Methodologically it certainly questions the idea that – as researchers – we hold on written pieces of work as a fixed entity that once published remain unmovable, which is – and I am a good example of this – often not the case. Recognizing subjectivity is the first step to reducing impartiality in both research and practice (Harding, 1984, 1991). Subjectivity is one of the biggest methodological weaknesses of scientists, at the same time that – once recognized, identified, and accepted – it can be their biggest strength. This is by keeping in mind the importance of subjectivity in both practice and research that I will write the concluding chapter of my thesis, and my recommendations for both future research and – more urgently than ever – for practice in micro-finance considering its high speed and growing international success.

It is time to stop idealising micro-finance as if it was a tool that will magically extract people out of financial poverty. In the last 20 years there has been a gradual decrease in the amount of research that looks at workers' and employees' perspectives in management and human management research, with the pluralist perspective little by little replacing a unitarist perspective that takes for granted that managers points of view and interests are the same as their employees' (Boselie et al., 2009). In this last chapter I argue that the current shift of a workers' towards a managerial perspective in management sciences has contributed to misleading interpretations of the

possibilities of micro-finance, in particular for female borrowers. The major problem with micro-finance is that it is discussed and researched from the perspectives of micro-finance agency employees. What is researched in the field, also for micro-finance in developing countries, are not the actual outcomes for its clients, but what are the costs of building up such programmes and who should pay for them (Dayson and Quach, 2006; Morduch, 2000). In other cases, clients' experiences are integrated as if they had been researched but this is done by interviewing agency employees on their views of clients experiences, as it is the case in Underwood's study (2006). There are also biases in the way micro-finance data is reported from agencies (Bauchet and Morduch, 2010), and my research echoes this finding, as seen in Chapter 6 ('Income'), where I showed that that agency employees overestimate their clients' estimated incomes.

Very little attention has been paid to whether micro-finance is working as a viable model of self-employment creation, in which micro-finance clients would earn enough in self-employment to find it an attractive alternative to waged employment. Micro-finance works from a crediting perspective, as it is possible to have a model of micro-finance that is sustainable (Morduch, 2000), that is, either by using a system of donation, subsidiaries, as in the case of Belgium, or by charging interest rates from clients that are high enough to cover the cost of micro-financing without external sources of funding, as is increasingly the case in the UK. The debate remains focused on the question

of whether micro-finance should be financed via government funding or by the clients themselves (Dayson and Quach, 2006; Morduch, 2000), not on how micro-borrowers cope later in the realm of self-employment.

Research looking at the actual outcomes of micro-finance, and how much micro-finance clients actually earn out of self-employment after having contracted a credit is not common practice in either research or practice. As I mentioned at the beginning of this thesis, so far, nothing is actually known about the outcomes of micro-finance for clients, and that more research needs to be done on the financial outcomes of micro-finance for those who have purchased a credit (Evers et al., 2007). Existing research in the field had suggested that the outcomes are not positive for women and that micro-finance may bring negative outcomes on an income point of view (Marlow, 2006*a*). So far, there has been no research that proves the positive effects of micro-finance on social and economic inclusion for women (Roodman and Morduch, 2009), and both this PhD and previous findings in the field suggest the contrary.

10.1 Comparative framework between Belgium and the UK

The UK and Belgium have different welfare regimes and different attitudes to entrepreneurship: i.e. a ‘liberal’ welfare state versus a ‘social-democratic and conservative-corporatist’ welfare state (Dewilde, 2006), respectively.

As mentioned in the methodology (Chapter 4) and income (Chapter 6) chapters, this study first aimed at comparing gender and micro-finance in two different European countries: the UK and Belgium. Indeed, following Dewilde's analysis (2006) on what effects different welfare systems (liberal versus social) have on people's experiences, it was expected that micro-financed self-employment would be experienced differently by women in the UK and in Belgium. Two sets of interviews were scheduled, one in Belgium and one in the UK. However, the findings that resulted from the data collection were very similar and no evidence was found of differences in the experiences of self-employed women or in the perspectives of agency employees. Women in Belgium met the same financial difficulties in running their businesses as women in the UK and suffered from the same constraints of having businesses in low-profit-making sectors (Ehlers and Malin, 1998). In addition, as seen in the time chapter (Chapter 7), women in the UK experienced similar constraints on the time they had available to invest in their businesses (lack of regular help from relatives, or a high level of domestic care tasks in their personal lives), and found it equally difficult to find time for themselves (e.g. holidays).

Likewise, employees from micro-finance agencies had very similar discourses on micro-finance in the UK and in Belgium. As seen in Chapter 5, employees had similar motivations for working in the micro-finance sector ('helping others'), and employees in both countries had gendered constructs defining

stereotypes of women as lacking confidence and training. Both in Belgium and in the UK, agency employees displayed a lack of knowledge about what women earn in self-employment (see Chapter 6).

Despite the fact that there are markets differences in Belgium and the UK (Dewilde, 2006), this does not have any effect on women's experiences of micro-finance.

10.2 Is self-employment financed by micro-finance schemes a viable alternative to waged employment for women?

The results of my research shows that women entering self-employment through micro-finance schemes are not earning enough out of self-employment for this to be an attractive and viable alternative to waged employment. In one group, women earn practically nothing out of self-employment and are becoming or remaining financially dependent on welfare or relatives. Their annual income is under £3000, and they are in business sectors which are very low profit making. They own saturated businesses where is not physically possible to work more and earn more income. For example, massage therapists cannot work more than a certain number of hours per week – and so do the hat and craft makers. In these cases, the move from non employment to self-employment is motivated by a desire to be self-fulfilled and self-actualized, or by a wish to make a life change, which is a typical

desire expected from self-employment (Fenwick, 2002; Nillson, 1997; Swan, 2010). Micro-finance schemes have given them a false promise of what self-employment could actually do for them in term of work satisfaction, as women in Group 2 expresses disappointment and stress once they have become self-employed. In addition, they also experience financial dissatisfaction. Indeed, their low incomes make them technically self-employed but in-depth interviews have revealed that their self-employment does not bring them employment because they do not earn a viable income. For women in Group 2, self-employment has become a form of unpaid labour, which ties them to a job that does not bring them financial independence.

On the other hand, micro-finance schemes have helped women in Group 1 to enter a form of self-employment which is in line with their previous career history and ensure them an income. They are not earning much out of self-employment (approximately £800 per month for most of them), but they earn enough to gain a sense of being financially independent. Moreover, the women in Group 1 have micro-businesses that are not saturated. The type of work involved is not physical (e.g. graphic design) and intangible, and incomes can grow with the same amount of hours spent in self-employment. Their incomes can also expand with the accumulation of time, experience, business opportunities, and social capital, like it is for example the case for Amy, the a interior designer. These women can hire staff for specific tasks and hiring costs will be covered by income increases.

Despite these incomes, self-employment still remains an unattractive alternative to waged employment for women in Group 1 because their salaries remain low compared to their level of education and the time spent at work. This also results in them not having a pension scheme, or not saving for their retirement. None of the women interviewed were aware of the double financial difficulty caused by the entry into self-employment (1), into business sectors that are not or low profit making (2) before entering the programme and most of them were still optimistic about the future, and hoped that their businesses' income would increase.

Kelly, the dental technician is a notable exception in terms of micro-finance. She also has no pension scheme but has a better job now than she is self-employed as a dental technician than when she was waged employed. Her salary has increased and she is more satisfied with her work. She also has a better chance of 'promotions' at work as a wage employed worker. While she was once condemned to remain another dental technician's assistant, now she can be the boss of her own practice. This exception will serve to explain both the recommendations I will set up for micro-finance schemes in Europe, and also how gender is working against viable and attractive opportunities for women in self-employment, as well as how micro-finance agencies – by setting up different viability criteria than banks – reinforce this.

The major weakness of micro-finance is that there is a lack of data collected on the financial distress of clients, including female ones, after they have

entered self-employment. One of the reasons for this is a current trend in research that prioritizes the managerial perspective at the expense of micro-finance clients'. Interviews are done with micro-finance employees agencies, and people can be seen to find it difficult, shameful and embarrassing to talk about financial problems (Johnson and Rogaly, 1999); I have shown that this income related taboo also renders the distress linked to lack of income unmentioned by micro-finance clients. This creates an embarrassment for both agency employees and micro-finance clients.

In addition to this, micro-finance is internationally portrayed and viewed as a successful tool against poverty. For example, this type of crediting product is so strongly framed as positive and beneficial for society that Muhammad Yunus won the Peace Nobel Prize for it in 2006.

Through the chapters of the thesis I have also shown that self-employment is portrayed as something positive which is directly associated with self-actualization, self-fulfilment and the realisation of someone's dream. This increase in individualism as a prime value in Western society that has also led to this idealisation of self-employment as a form of work (Fenwick, 2002; Swan, 2010). Once they have entered a micro-finance scheme, clients are taking part in this idealisation of self-employment. It becomes very hard to accept or admit a perceived 'failure', and to accept the fact that self-employment does not necessarily bring self-fulfilment in combination with earning an income. The difficulty of talking about personal and financial

problems (Johnson and Rogaly, 1999; Haggerty, 2004) combined with the fact that micro-finance is highly internationally idealised renders the actual possibility for women to talk about the financial problems they face in micro-finance very limited. In the case where the agency employee (Sarah) is actively asking questions when she has doubts as to how much clients pay themselves, there is a dialog between the agency employee and the clients. Myself while conducting the interviews I have felt that talking about finances was an embarrassing theme that needed to be approached with caution and strategy.

Indirect gender effects, which are effects not linked to gender discrimination but to structural causes in self-employment, play a crucial role in analysing whether self-employment supported by micro-finance schemes offers women a viable and attractive alternative to waged employment. Self-employed women tend to be busier with care and domestic tasks than self-employed men, especially when they are repetitive and performed on a daily and regular basis (Elchardus and Glorieux, 1994). This makes self-employment more difficult for women because domestic time takes time that they cannot invest in their business. This contradicts the fantasy that self-employment brings flexibility at work and allows more time for childcare, as portrayed by policy makers in the promotion of female self-employment, further explained in the Chapter on Time. The self-employment literature has well identified the beliefs that some women have before entering micro-finance, especially

the idea that they will have more time for childcare (Forsyth, 2000; Fielden et al., 2006), a belief which is also shared by policy makers and some agency employees (e.g. Holly). This is the first negative indirect gender effect of self-employment that micro-finance schemes have to take into account while thinking about gender and self-employment.

The second negative indirect gender effect is the factor of help received in self-employment. Informal help from relatives is also gendered and female business owners receive less help for their businesses from relatives on a day to day basis (Mulholland, 2003). In the thesis I have also shown the importance of undeclared assets in micro-business creation and micro-business ownership, which is the positive impact of help from relatives on business incomes. Materialist feminist theories (Delphy, 1984; Delphy and Leonard, 1992) have been useful in uncovering the role played by this invisible form of unpaid labour which is not recorded because of its informality, but which is a very valuable asset to have in self-employment. Micro-finance schemes for women have observed the problem of childcare and voluntarily set up training during school hours. This allows women who are main caregivers for their children to attend the courses but does not solve the general problem of childcare in self-employment. However, the fact that women in business receive less help from other family members to invest in their business, mainly less regular help (Mulholland, 2003; Elchardus and Glorieux, 1994), is a gendered aspect of self-employment that is not suspected by most agency employees and pol-

icy makers. It means that the indirect gender effects of self-employment are not suspected of having a negative impact simply because they are not even suspected of existing.

10.3 *Recommendations*

Not all the people who follow a micro-finance scheme start up a micro-business afterwards. It is common to find people who drop out of the scheme because they have realised by themselves that their business would not be viable. This is for example the case of someone I was supposed to interview, but who then sent me an email saying that she had decided not to continue her business project:

Dear Emmanuelle,

I didn't even finish the courses because I realised very quickly that my project could not guarantee me a sufficient income – and as I have no other resources it was simply impossible to go on with it. There is nothing more to say about it actually, but if you really need a respondent for your survey, we can surely meet.

Regards,

Elise

A positive outcome of micro-finance schemes is that they stimulate some people to re-enter waged employment. It is not uncommon that some long-

term unemployed participants find a job in waged employment soon after they have started the scheme. Further research is needed on this phenomenon, and what happens exactly in the transition from being on a micro-finance scheme and then re-entering waged employment. It may therefore mean that micro-finance schemes are having a positive impact on people finding work in waged employment, but there is no data or study so far that explains this. However, this suggests that being on a training scheme exerts a stimulating effect on people who have been out of work for a while. One recommendation regarding this is that it should not be the role of micro-finance schemes and that rather, alternatives should be thought of. In this regard as well, micro-finance schemes allow some opportunities for some people to realise by themselves that their business will not be viable, and so not to enter self-employment, as in the case of Elise.

The thesis has also demonstrated that so far micro-finance schemes for women only are gendered in their practices and promote a type of self-employment which is too often financially non-viable for the women involved; these businesses are typically in traditional feminine sectors. It means that some feminist ideas are being used to justify the need of specific programmes for women who want to become self-employed. There is a ‘cooptation’ of feminist discourses which is used in the settlement of gendered courses and training for women in business. These discourses were labeled by Nilsson (1997) as ‘femocratic’. I will use this term here to explain the confusion that discourses about

gender equality can create, even among feminists. There is also a desire to do something about gender equality, through business start-up support schemes, with the intention of tackling the issues of gender inequality. However, because gender categories are little put into question, agencies hold a femocratic discourse (and exert femocratic practices) of gender equality rather than a feminist one. This is because they cleave to the idea that there are feminine and masculine ways of being self-employed (Ahl, 2004). There is therefore a claim which is made in justifying micro-finance for women which is that women have a right to do business in a ‘feminine’ way – and that this should be supported. Supporting women in business then becomes a social cause, hence the success of micro-finance for women in all parts of the world.

Femocratic micro-financing gives rise to all sorts of lobbying pretexts, among which women are seen as unconfident business persons who needs to be made more confident, and who lack the necessary knowledge to be business owners. Nevertheless, self-employed women are educated to a higher level than men (Arenius and Autio, 2006; Parker, 2004), and female applicants to micro-finance schemes submit – according to agency employees – much better business plans, which are much more complete and elaborate than those submitted by men. This belief has been shared by the following agency employees: John, Peter, Sarah, Ann, and Sam. It suggests that although female participants are perceived as having larger knowledge gaps in business literacy than male ones, this is untrue, and therefore they do not need actually a different

type of training – or additional training – to enter self-employment.

Gendered identities interact with the way in which micro-finance programmes are shaped and planned. The idea of sisterhood and solidarity among women sharing similar difficult experiences that is so dear to feminists (Bradley, 2007) is mixed with a gendered concept of micro-finance. One example of this is having women-only programmes that are not open to men and in which women are advised to conform to so-called ‘feminine’ tasks, roles and behaviours. These roles and expected attitudes due to being female or male have been historically dichotomized by radical measures that put men and women into two different worlds (Bradley, 2007). Women today have access to the labour market but that labour market is segregated by gender (Bradley, 2007). In the micro-finance world, a similar pattern can be observed: it is segregated by gender in the way in which it is done and in the way in which the business sectors are entered by women and men. Micro-finance is also influenced by the stereotype that women do not work and decide to enter self-employment with the primary aim of making a living.

Micro-finance schemes for women are a space for idealisation of micro-finance (and this is stronger than in mixed micro-finance schemes). Indeed, when it involves female micro-finance clients there is the assumption that income is secondary and is not a priority. This assumption from policy makers and agency employees with regard to self-employed women comes from the gender bias that keeps perceiving men as the primary breadwinner and women as

being secondary earners or merely bringing extra cash into a household (Siltanen, 1994). Swan (2010) has argued that women are particularly subject to being associated with a quest for self-fulfilment through work that does not require the quest for money. The gender factor therefore reinforces the idealisation of micro-finance schemes that argues that it is more appropriate for women to search for self-fulfilment outside the requirement for an income. In other words, because they are women, it is more socio-culturally acceptable that female micro-finance clients earn low incomes in self-employment. They are less culturally and socially expected to be breadwinners as male clients are. These very gendered perceptions of both income and self-fulfilment create pre-conceived ideas among micro-finance agencies about how to run micro-finance programmes in a gendered way.

My recommendations for the sector of micro-finance is not to apply different eligibility criteria for female clients. Promoting a way of owning a business which is not aiming at generating financial profit is a valuable idea in itself but it should not be done within the context of women-only micro-finance schemes. In particular it should not be done with women who are in financially precarious situations. There is no rationale beyond why women should be the seat of so called social businesses more than men should be.

For example as well, little is being done to encourage women (and men) to break with traditional gender roles regarding the sector choice of their business ownership. Kelly, the dental technician, mentioned in her interview

how hard it was for her to obtain mentoring and support from her dental technician peers when she started up her business. Asking for advice from senior technicians, she was repeatedly told that it was a men's job and that as a woman she would never succeed in the field. She was shocked as, while seeking advice, she was once told:

‘Come on, Lady! It's suicidal what you are going to do! You have no experience. You are a woman. You will never succeed.’

Kelly did not started up her business through a women-only programme and she was unemployed at the time she started obtaining business support. The occupation of dental technician is an occupation that does not require an expensive and long education as it is a vocational training. Yet, it has offered Kelly a good opportunity to earn a viable income, with potential for growth.

This suggests that the solution for micro-finance and female self-employment is to be found at the level of factors such as sector choice. A decision to support self-employment for women should not be made on criteria which are different from men's. It should still include viability and profitability otherwise there is simply no way these businesses could survive in the (real) market. Encouraging women into sectors that generate viable incomes would for example be an excellent way to obtain micro-finance schemes that favour gender equality.

The growing success of micro-finance schemes also call for more research and questioning about individuals' savings. Micro-finance schemes provide very small credits, with some loans starting at £500. This means that some people have very little savings when thinking about self-employment as an alternative to waged employment. This calls for more research about individuals' savings, entry into self-employment, and the type of economic and social risks involved in lending money to micro-finance clients who are – before entering self-employment – in vulnerable financial situations.

There is also the question of the interest rates of micro-crediting which is questionable in itself in the claim that micro-finance is portrayed as more charitable than banks. There is a major debate at the moment around whether the costs of micro-finance should be paid for by public funding from governments or by the micro-finance clients themselves (Morduch, 2000). However the question of associating micro-finance which charges more than banks with social aims is refutable in itself. Is lending money to people with limited financial resources enough to be labelled socially good? I don't agree with this assumption and we need to renegotiate the term 'micro-finance' and what it can bring to society from a moral and social point of view.

In this last concluding chapter I have argued that micro-finance does not offer a viable and attractive alternative to waged employment for women. I have reviewed the findings of the thesis and confronted them with additional questioning in the field. I have argued that a major problem lies in the

biases that exist in the research on micro-finance and gender, where the assumption as to what it can do for women is that while micro-finance is good for people, it is even better for women. I have argued that this assumption is rarely questioned as investigations on the topic are from data collected among micro-finance agencies, and/or which look at how to improve micro-finance agencies financial sustainability. There are also a number of gender assumptions about fantasied women's needs which are not shared by female micro-finance clients, and this also reinforces the idealisation of micro-finance for women.

If I could go back in the past and do my thesis again, the major aspect I would do differently would be to voluntarily interview more women who entered micro-business in non-traditional business sectors. The interview with the dental technician has provided a very good example of what makes a viable example of business support through micro-finance. Indeed, in this case her earnings are viable because the service she offers is financially viable. Considering that there is such a strong gendering of self-employment in the micro-finance sector, both at policy and agency levels, it would have been very interesting to further explore the relationship between this gendering by having more cases where women had entered non-traditional business sectors.

10.4 *Theoretical contributions.*

This thesis emphasises how and why it is essential to look at different parameters that are the results of socially embedded, politically shaped, and individually experienced gender relations (Bradley, 2007; Jackson and Scott, 2002; Stanley, 2002). Micro-finance, both as a field of study and as a field of practices, raises important questions about power, credit, finances, economic poverty, interactions between individuals, institutionalised power and the transition from welfare to self-employment for women in the Western world. Each of these economic and social phenomena is inhabited by gender practices, and these practices have weakened women's positions as social individuals (Jackson and Scott, 2002; Bradley, 2007; Delphy, 1984; Delphy and Leonard, 1992).

By taking into account the facts that gender practices create both direct and indirect effects on women's experiences of self-employment (Smeaton, 2003; Hughes, 2003; Delphy, 1984), and that gender was created by specific social stratifications (Bradley, 2007; Stanley, 2002; Jackson and Scott, 2002), we can explore the ways in which micro-finance is not a neutral social and economic site. This thesis contributes to theoretically conceptualizing micro-finance as a non gender-neutral social phenomenon.

This indicates that policy making in micro-finance is also a non gender-neutral phenomenon. By integrating the impact of gender as acting on seg-

regated social realities (e.g. women's experiences of self-employment as low earners, working in low-profit business sectors, and as having limited time capital for their businesses), and at the same time by thinking of gender as an artificially created category, it is possible to rethink the processes by which we make sense of policy making. For example, it is possible to draw up a framework for gender analysis in policy making that is not gender-blind, and that is not recreating social reality in a segregated way.

Methodologically, this implies that, as gender analysts of social realities, we must continuously ask where we situate ourselves in relation to the knowledge we create (Harding, 1984, 1991, 2004), and how much of the realms and biases of socially constructed reality we insert into our gender analyses.

This thesis contributes to theorizing content on important issues in micro-finance (incomes, quality of life, policy making). In addition to this, the thesis methodologically conceptualizes an analysis of these social questions in micro-finance. This methodology includes a framework that recognizes the existence of gendered social differences, but that also suggests ways to transform the processes by which we think of these socially constructed segregations.

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