Towards Sustainable Entrepreneurship and Social Development for Rural Women in Bangladesh

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Thesis

I hereby declare that this thesis is my own work and effort and it has not been submitted anywhere for a degree at any tertiary educational institute.

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Co-supervisor                           Dr. Amzad Hossain

The School of Sustainability, Institute of Sustainable Development and Technology Policy (ISTP)
Dedicated to my Parents
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Acronyms

ADB  Asian Development Bank
BAPA  Bangladesh Agro-Processors Association
BBS  Bangladesh Bureau of Statistics
BD  Bangladesh
BDT  Bangladeshi Taka
BIDS  Bangladesh Institute of Development Studies
BNPS  Bangladesh Nari Progati Sangha
BRAC  Bangladesh Rural Advancement Committee
BSCIC  Bangladesh Small and Cottage Industries Corporation
CGAP  Consultative Group to Assist the Poorest
EDM  Enfant du Monde
FY  Fiscal Year
GDP  Gross Domestic Product
HBPS  Hathay Bunano Proshikhan Samity
IDRC  International Development Research Centre
IFAD  International Fund for Agricultural Development
IED  Institute for Environment & Development
IGA  Income Generating Activities
IKD  Innovation, Knowledge and Development
<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>ILO</td>
<td>International Labor Organization</td>
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<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
</tr>
<tr>
<td>JFF</td>
<td>Justice Fazlul Haque Welfare Foundation</td>
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<tr>
<td>LDC</td>
<td>Less developed country</td>
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<tr>
<td>LFS</td>
<td>Labor Force Survey</td>
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<tr>
<td>MDGs</td>
<td>Millennium Development Goals</td>
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<tr>
<td>MOI</td>
<td>Ministry of Industry (Bangladesh)</td>
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<td>MFIs</td>
<td>Microfinance Institutions</td>
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<tr>
<td>MIDAS</td>
<td>Micro Industries Development Assistance and Services</td>
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<tr>
<td>NGO</td>
<td>Non-government organization</td>
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<td>PEP</td>
<td>Productive Employment Project</td>
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<tr>
<td>NAP</td>
<td>National Action Plan</td>
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<tr>
<td>REOPA</td>
<td>Rural Employment Opportunities for Public Assets</td>
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<tr>
<td>SEDS</td>
<td>Start up Enterprise Development Scheme</td>
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<td>SMEs</td>
<td>Small and Medium Enterprises</td>
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<td>WED</td>
<td>Women Entrepreneurship Development</td>
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<tr>
<td>WEDP</td>
<td>Women Entrepreneurship Development Program</td>
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<tr>
<td>WID</td>
<td>Women Industrial Development</td>
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<td>WIDER</td>
<td>World Institute of Development Economics Research</td>
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<td>UN</td>
<td>United Nations</td>
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**UNCED** United Nations Conference on Environment and Development

**UNDP** United Nations Development Program

**UN-OHRLLS** United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States

**UNRISD** United Nations Research Institute for Social Development

**USAID** United States Agency for International Development
Abstract

Entrepreneurship today has become an important professional skill to reduce poverty among rural women in Bangladesh. Recent studies show that most rural women borrowers claim that their sustainable socio-economic development depends on current ‘micro credit policy’. However, most women entrepreneurs’ practical situation is still vulnerable and unproductive, especially in rural Bangladesh. Usually, when a woman runs an enterprise solely, after a certain period, if she is unsuccessful, that micro credit turns into a burden for her. The study proposes to critique micro credit policy, because the practical fact is the micro credit policy most often only tries to help rural women to survive, but does not encourage them to sustain their business through group cooperation. The paper attempts to discuss from different perspectives the ability of women entrepreneurs in rural Bangladesh to improve their economic situation and to strengthen their empowerment in the rural community. In addition, the research also analyzes the socio-economic sustainability of women’s enterprises. The study examines key approaches to eradicate the poverty and vulnerability of rural women as they aim to reach the MDGS (Millennium Development Goals) through entrepreneurship development corresponding to small business institutions. It shows how group-based women’s enterprises as cooperative societies can improve the chances of sustainability of their businesses and can provide faster capital accumulation. The study also investigates whether there are enough prospects for food processing and handicraft as business for rural women entrepreneurs in Bangladesh. Indeed, a new insight of policy initiatives has been proposed, like reducing micro-credit interest rate or distribution of a little funding by
government or some donor agencies to cover the higher costs of microfinance institutions (MFIs) instead of imposing higher interest rate for encouraging women to sustain into their enterprise business. The main findings of the study are rural women entrepreneurship development for eliminating poverty, empowering women with more advanced education and skill and, ensuring sustainable development of rural women through improving micro-credit policy, precise government’s intervention and group-based entrepreneurship business efforts.
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