



*Misna, a member of the Totimori women's group, examines the healthy corn she is growing. Women play important roles in every phase of corn farming including land preparation, planting, fertilizing, harvesting and processing – in addition to preparing food for the family, doing laundry and raising children.*

# TRUST-BUILDING AS A FOUNDATION FOR INCLUSIVE RESILIENCE

## A case study on women corn farmer groups in Indonesia's Bima and Dompu Regencies, West Nusa Tenggara Province

APRIL 2018

# Introduction

Mercy Corps' Building Resilience through the Integration of Gender and Empowerment (BRIGE) program, in collaboration with the AgriFin Mobile program in eastern Indonesia, worked to increase the capacity of vulnerable women through pairing them with better-off women already accessing financial services. By bringing together these women, the program aimed to build assets that they could use to help their communities better cope with and adapt to recurring climate-related shocks and stresses such as unpredictable rainfall patterns, pests, or fertilizer scarcity. Women are the majority of the total 748,120 people affected by poverty in Indonesia's 6<sup>th</sup> poorest province of West Nusa Tenggara (NTB)<sup>1</sup>, who earned their primary living from low-productivity smallholder agriculture, mainly corn farming. Furthermore, the Human Development Index (HDI) of the province is under national standard, i.e., 66.6 compared to the national score is 70.8. Major contributors to farmers' sustained low productivity has been limited access to resources, lack of education and access to agricultural information, knowledge and technology, limited mobility, restricted roles in decision making processes and very small social networks. These factors

combined increased women's vulnerability and risk during times of crises and further limited their ability to recover effectively from unexpected shocks and stresses.

*"Trust is the highest form of human motivation.  
It brings out the very best in people."*

STEPHEN R. COVEY

BRIGE focused on women because recurring natural disasters and climate stresses impacted women and men differently due to pre-existing gender inequalities. Compared to women, men typically have more education, stronger professional networks, better technical skills, more mobility, more extensive participation in decision-making processes and better access to formal institutions and systems.



*Photo #1: Threshing the corn.  
Corn threshing is a distinctly  
women's role, which includes  
collecting corn grains and  
packing them. This role  
maintains health hazards  
through inhaled dust from the  
threshing machine outlet, and  
yet it is seen as complimentary  
to the man's role of inserting  
ears of corn into the machine.*

Before BRIGE, women were frequently subject to inequitable gender norms and stereotypes that limited their role to staying in the home doing household chores, preparing food, taking care of children and helping their husbands on the farm. Women were traditionally seen as the household money manager in the sense that a "good" woman must be able to manage money in such a way that whatever amount of money the

<sup>1</sup> <http://oknusantara.com/7-propinsi-terkaya-dan-7-propinsi-termiskin-di-indonesia-detail-43072.html>

husband earns is enough to cover household expenditures. When the money was not enough to cover the expenditures, it was the fault of the wives for spending the money “wastefully.” Consequently, when shocks and stresses occurred, such as storm winds that destroyed the corn farms and often caused harvest failure or a significantly decreased harvest yield, it brought a more severe impact on women than on men. Women were impacted by the shocks and stresses not only economically but also socially and psychologically. In the words of Marniati, a member of Totimori women’s group: “At first, I was shy to talk about my problems because I was afraid of being labelled as an incompetent money manager for what my husband could earn. The mix of shyness with my lack of self-esteem prevented me from sharing my economic problems with friends and relatives.”

## Gender and Resilience Development Model

To address some of these underlying gender norms identified through the assessment, the BRIGE program assessed and established three women’s groups with a combined total of 56 members. The groups were designed as a catalyst to build the social capital of vulnerable women in order to improve their access to financial and other services, and to enhance resilience through transformative social and economic empowerment. Figure 1: Model for Inclusive Resilience through Women’s Group Social Capital Development describes the theory of change which suggests working with groups presents the most effective approach to ignite the social capital processes of bonding, linking and bridging. Putnam (2000) in Hawkins and Maurer (2009)<sup>2</sup> cites that bonding processes refer to relationships among members of a network who are similar in some form. Sreter and Woolcock (2004) in Hawkins and Maurer (2009) defines bridging processes as relationships amongst people who are dissimilar in a demonstrable fashion, such as age, socio-economic status, race/ethnicity or education. Linking processes are the extent to which individuals build relationships with institutions and other individuals who have relative power over them to provide access to services or resources (Woolcock, 2001; Sreter and Woolcock, 2004 in Hawkins and Maurer, 2009). The model depicts the processes of bonding, bridging and linking which consist of engagement, trust-building and empowerment. Engagement was the precondition of trust-building and improved trust is the foundation of empowerment which contributes to resilience.



*Photo #2: Washing vegetables. Among the distinctly feminine tasks in Bima and Dompu include preparing food for the family in addition to doing laundry, working in the corn farm, raising children and managing household finances. This photo is of Margaretta, the leader of the Totimori Women’s Group, preparing food in her kitchen.*

<sup>2</sup> Hawkins and Maurer, Bonding, Bridging and Linking: How Social Capital Operated in New Orleans following Hurricane Katrina, British Journal of Social Work (2010) 40, 1777–1793.

## First: The Bonding Process

The bonding process began with engaging women in group activities such as meeting, brainstorming sessions, trainings, etc. These engaging activities enabled the women to build trust in one another, creating a sense of belonging. Once the women had a sense of belonging, the group cohesiveness further crystalized and strengthened women's self-confidence. This group-influenced self-confidence contributed to women's ability to demand participation in household decision-making.

One example of improved participation in decision-making comes from Nuraini, the leader of the Morisama women's group. Corn farming is a key livelihood source for many families in Dompu district in eastern Indonesia, representing nearly half of the total farmland in the area. Although women play central roles in farming, particularly during planting season, they typically are not respected for their agriculture knowledge or skills.

Nuraini learned a new agriculture practice through a training facilitated by Syngenta (Mercy Corps AgriFin Mobile Program partner), in which seeds are planted just one per hole with adequate space in between, as opposed to traditional methods which sought to increase the number of plants through more seeds. However, she first had difficulties convincing her husband to adopt this practice. "I discussed the idea with fellow farmers and they laughed at me," remembered Reso, Nuraini's husband.

After negotiating, Reso and Nuraini agreed to allocate half their land to the new planting method and half to the traditional. The contrast was staggering. The new-method side of the farm produced almost twice as much corn as the traditional method side of the farm. Despite fewer corn plants, the corn was much larger and healthier-looking than the traditional method counterpart. Nuraini says that, because of this, she has earned greater respect in the eyes of her husband and community.

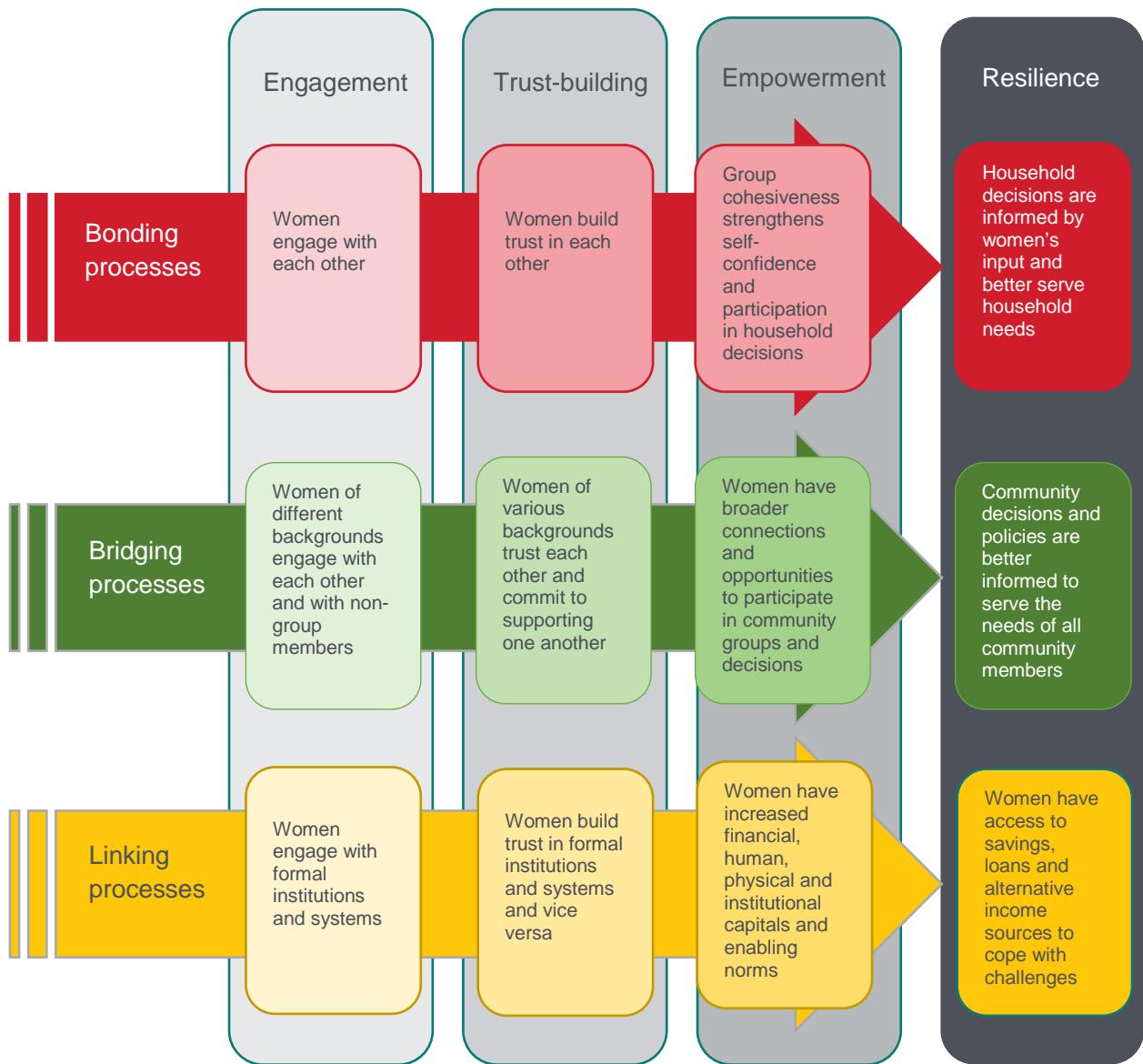
## » DEBUNKING MYTHS ABOUT SUCCESSFUL BUSINESS STARTUPS

*Many people subscribe to the myth that, to start a business, the most important thing to have is capital money. They believe that with money, everything else follows easily.*

*In fact, the opposite was revealed by Margaretta, a woman role model, who shared an inspiring story from her life. In 1998, her husband decided that he had to migrate to Malaysia to seek employment at a palm oil plantation. Before migrating, her husband had not given her any money for food or other daily necessities. She decided to look for vegetables in the forest near the village in order to survive. After one week, she learned the parts of the forest where she could find more vegetables. She decided to collect extra vegetables and sell the excess. After several batches of successfully selling vegetables, she was confident that she could regularly sell these forest products. She requested a loan for IDR200,000 (about USD14.50) from a wealthy family in the village. "The business ran well, and the profit was enough to cover our daily needs. I was able to save all the money my husband wired me every month for the next five years. When my husband returned home, our savings was enough to buy several pieces of land for planting corn," remembered Margaretta.*

*Margaretta shared this story to the women of her group to illustrate that to start a successful business, the most important thing is a feasible business idea that meets a market need – coupled with hard work and persistence. Loan money is only a catalyst to scale a proven profitable business.*

---



**Figure 1: Model for Inclusive Resilience through Women's Group Social Capital Development**

## Second: The Bridging Process

This process began when the achievements of a women's group inspired more women to achieve similar or even better results. The enlightening disclosure spurred women's curiosity to know the women from that particular group, and that curiosity transformed into the motivation to achieve similar or even better accomplishments. This process was followed by the introduction of the women to the women from the other accomplished groups. The introduction of women from both groups continued with similar introductions with women's group non-members and with men. These processes enabled the women to have broad connections that helped them expand opportunities and improve their bargaining power to participate in community policy-making.

This process is illustrated by the increased popularity of Nuraini and her understanding of how she will use this growing power. As she has been a popular and successful woman leader, and as the law requires political parties to have women in the leadership board, Nuraini has been offered a position in the Functioning Group party, one of the top three political parties in Indonesia's last general election (2014). "I am now focusing on group development. However, when it is the time for me to start a political career, I know for whom I will represent and for what purpose the political power will be capitalized for: the women corn farmers and their welfare," said Nuraini, smiling with resolution.

This example has illustrated that by pairing the vulnerable women with the women role models, women from different backgrounds (socioeconomic status, marital status, etc.) began to trust and support one another, and the women role models who have broader access to opportunities can facilitate participation for other women whose voices might normally not be heard.

## Third: The Linking Process

This process started with BRIGE providing capacity-building support to the rural bank as a partner for Agrifin to help them consider gender integration in their services. After the capacity of the rural bank in gender integration was improved, the women were introduced to formal institutions and systems during the group meetings. After the introduction, the women role models provided internal sessions with group members during the group sessions and needs-based coaching sessions with individual members of the group. This combination of group meetings and coaching sessions corrected the misperceptions of vulnerable women about formal institutions and systems. A correct perception, then, led women to trust formal institutions and systems.



*Photo #3: Damaged ears of corn. One of the shocks and stresses women frequently experience in Bima and Dompu are storm winds. Unprotected and densely-planted corn trees are easily broken by these winds. When trees break, ears of corn that had touched the soil would rot and yields would decrease significantly.*

On the other hand, the cohesiveness of the group also corrected the misperceptions of representatives from formal institutions and systems about the women that led these representatives to trust the women. The mutual trust between the women and formal institutions and systems increased linking social capital. The increased linking social capital then enabled the women to have connections to formal institutions and systems that help them to have access to resources and referrals.

Once women's linking social capital was improved, this in turn improved financial, physical, human, institutional capital and more enabling gender norms. By having connections with the BPR, the vulnerable women were able to open bank accounts because they were aware of the benefits, and the bank applied flexible administrative requirements and group-based mobile services because the bankers trusted the women. By having connections with input suppliers, the women could buy seeds, fertilizers and pesticides in time with normal prices as they had arranged to do so before the inputs were needed. By having the connections with Syngenta, the women were able to attend field school sessions in which they learned technical knowledge and about technologies with which to improve their business productivity. By having connections with the department of industry and micro enterprises, the women were able to apply for legal status of their businesses and, when needed, they will be able to apply for product certifications. By having connections with the regent and the village head through their women role models, vulnerable women will be able to participate in the village decision-making processes.

Examples of improved financial capital include access to banking systems through the creation of savings accounts as expressed by 100 percent of respondents during recent semi-structured interviews, overcoming the fear of taking out loans (89 percent), more discipline in loan repayments (58 percent) and introduction of group collateral (20 percent). Certain women also expressed improvement in access to literacy skills, access to learning corn-farming technology (human capital), access to the new market of wild-horse milk (institutional capital), and the husband's approval of his wife to ride a motorcycle with her fellow group members when going to the market (enabling social norms). "I now realize that saving money under the pillows must be replaced with saving money at the bank and participating in the group has allowed me to have a formal bank account," said Rukmini a member of the Totimori women's group. Rukmini previously did not have a bank account and did not see any value in creating bank account. She did not know that having a savings history could later be acknowledged by the bank as an indication of creditworthiness and financial capacity that could outweigh collateral.



*Photo #4: Spending the night at the farm. Nuraini and her husband prepared themselves to protect the corn trees from monkeys, wild boar and rats. During this time, women must take care of two houses; the main house and the farm house, which increases their work burden.*

# Cohesive Women's Groups Provide Opportunities for Private Sector Innovation

Pesisir Akbar Rural Bank has seen the group approach as an opportunity for their business to grow through innovations in financial products that could tap into a new market. Pesisir Akbar Rural Bank has not yet, however, integrated a gender-segregated database into its product design<sup>3</sup>. In fact, a closer look at the bank's information system shows that the bank has actually recorded a data field for sex which has not yet been capitalized to generate knowledge about women's performance through neither loan performance nor savings growth, compared to men. "We have no sex-segregated analysis about women's loan and savings performance. Unfortunately, it is beyond my authority to do such an analysis," said Adi Latif, the account officer. Interestingly, one of its branch managers has had experience in managing particularly women-focused financial products. "We have recently been developing women products consisting of saving named 'Tabungan Siwe' and loan named 'Kredit Siwe.'<sup>4</sup> As such, we need strong evidence-based information to convince the executive board as they will need to further convince their stockholders," said Hasti the branch manager of Bima municipality. Hasti had previously worked for BTPN Syari'ah, a prominent bank that successfully marketed women-specific loan products. She elaborated that she estimated only 10 percent of the total non-performing loans in her branch were attributed to women whereas the remaining 90 percent were attributed to men. However, since she has no authority to analyze the data using their information system, she could not adequately and scientifically support her argument.



*Photo #5: Bima and Dompu communities have traditionally had to protect rice fields from stormy winds and have done so by planting coffee trees. The women in these communities quickly adapt their agricultural mitigation techniques.*

## Learning from the Field

Through the work of the BRIGE program, we learned that trust-building through a group approach is a valuable central element of social capital that contributes to strengthening resilience. This was expressed by 81 percent of members in the women's group during recent focus group discussions, followed by self-confidence (72 percent) and communication skills (54 percent). The fact that 81 percent of women's group

<sup>3</sup> BRIGE Gender Assessment, Mercy Corps, 2017.

<sup>4</sup> In local Mojo language, the word siwe means women. Tabungan Siwe means "women saving" and Kredit Siwe means "women loan."

participants trust each other, trust formal institutions and systems and trust other people was an astonishing disclosure as they are relatively high. The world value survey for Indonesia's data on trust stands at only 41 percent.<sup>5</sup> As cited by Ortiz-Ospina and Roser (2017), "Trust is a fundamental element of social capital – a key contributor to sustaining well-being outcomes including economic development."

In fact, other elements of social capital are built on the foundation of trust. Social capital is a necessary precondition to ignite other capitals. It was the trust and trustworthiness among the group members that crystallized into group cohesiveness. The group cohesiveness enabled women to revive their self-confidence after years of feeling a lack of self-esteem at home. It was the trust, group cohesiveness and self-confidence that enabled these women to engage with others outside their group and with available formal institutions and systems. Learning from the implementation of the BRIGE program in Indonesia, programs that seek to build resilience cannot ignore the critical elements of trust and social capital strengthening which extend to and support many other aspects of programming.

Just like the corn they plant, the women's groups in Bima and Dompu have grown into a flowering tree. With this momentum, more can be done to ensure their sustained resilience and empowerment. This can be done through things like women-specific financial products designed by the rural bank or through integrating cohesive women's groups into their risk management system. New financial products can lead to diversified income through catalyzing women's start-up businesses. Additionally, the weather authority and Agriculture Office can make efforts to link women's groups by creating a community-based weather forecasting system using action research methodologies. An accountable and accessible forecasting system can facilitate evidence-based decision-making for women regarding the best time to start planting instead of relying on decision-making based on a male's "gut feeling," or waiting for the Meteorology and Geophysics Authority to give the go-ahead.

## » TYPES OF CAPITAL

*A woman is economically empowered when she had both the ability to succeed and develop economically and the power to participate in her household's and community's decision-making processes. To enable women to achieve resilience through economic empowerment, a program must address the range of factors that shape their lives. There are six key factors that contribute to women's empowerment:*

- **Social capital** (*bonding, bridging and linking*)
- **Human capital** (*knowledge, self-esteem, communication skills, literacy*)
- **Financial capital** (*saving, credit*)
- **Physical capital** (*household items, transport, land*)
- **Enabling social norms** (*allowing women to participate in activities outside the house, allowing for women's mobility*)
- **Accessible institutions** (*access to political parties and government departments, participation in community decision-making processes, access to markets*)

---

<sup>5</sup> Esteban Ortiz-Ospina and Max Roser (2017) - "Trust". Published online at OurWorldInData.org. Retrieved from: '<https://ourworldindata.org/trust>' [Online Resource]



Photo: A woman makes a transaction at the Pesisir Akbar Rural Bank.

## HOW SOCIAL CAPITAL CAN IMPROVE FINANCIAL CAPITAL

*Strong social capital can lead to improvement of other capitals, such as financial capital. Learning from BRIGE has shown that women's connections to rural banks, coupled with the support of peer groups, have led to access to formal banking systems. The women accessed the banking system as they began to see more value in savings coupled with BPR's increased flexibility in policies.*

*Before participating in the women's group, the women did not see value in having a bank account. They thought that savings products were only suitable for rich people who had "large amounts of excess" money to save; not for poor women who struggled to meet even their daily basic needs. They thought that the only reason for saving money in the bank was because someone had too much money to keep under their pillow – which did not apply to them. Moreover, the women thought that the bankers would only be welcoming and friendly to rich people since they deposit a lot of money.*

*By participating in the group, the women met with bankers who visited them in the women's group and explained that there are other benefits of savings such as keeping a record of their financial performance. By maintaining a good financial history, bankers said that the women would learn discipline in managing their money and that discipline is a key characteristic to a successful life. After the session with the bankers, a woman leader named Margaretta added that good savings history could later be acknowledged by the bank as an indication of creditworthiness and financial stability which could outweigh collateral. Furthermore, she inspired these women to shift their way of thinking from "shopping first and save the remaining money" to "setting your financial goal and achieving it by saving regularly, little by little." Margaretta also shared her experience starting up her family business and developing her business by using loan money. The bank approved her loan application because she had shown creditworthiness and discipline in managing her money.*

*Having been inspired by the bankers and the role model, the women decided to open bank accounts. The combination of women's awareness about the importance of saving and the flexibility of the bank in their administrative requirements contributed to the creation of bank accounts for all the members of the women's group. Sessions with the bankers and shared success stories from women role models have furthermore contributed to overcoming women's fear of taking out loans and made the women more disciplined in loan repayments.*

## CONTACT

DANIELLE DE KNOCKE VAN DER MEULEN

Director of Programs, Indonesia

[ddeknochevdm@id.mercycorps.org](mailto:ddeknochevdm@id.mercycorps.org)

EKO SETYO UTOMO

Program Manager | BRIGE Indonesia

[eutomo@id.mercycorps.org](mailto:eutomo@id.mercycorps.org)

AUDREY ANDERSON

Technical Program Director | BRIGE

[auanderson@mercycorps.org](mailto:auanderson@mercycorps.org)

### About Mercy Corps

Mercy Corps is a leading global organization powered by the belief that a better world is possible. In disaster, in hardship, in more than 40 countries around the world, we partner to put bold solutions into action — helping people triumph over adversity and build stronger communities from within.

Now, and for the future.



45 SW Ankeny Street  
Portland, Oregon 97204  
888.842.0842  
[mercycorps.org](http://mercycorps.org)