

Impact of Micro Credit on Women's Livelihood In Batticaloa District, Sri Lanka

S. Jeyaprabha

Department of Economics,
Faculty of Commerce and Management
Eastern University, Sri Lanka.

Abstract

With the end of the prolonged war, the government and non-government organizations have been highly focusing on the development of the people who were affected by war not only in Batticaloa District but all over the Island. Extended financial support for rebuilding livelihood is major component in the present development programme. Women are most vulnerable to disasters and violence, and they need more support in the post-war development. The lack of adequate financial support for women has been identified as a significant issue on the recovery of the livelihood. Due to financial policies and regulations, availability of collateral, etc., poor people are hardly able to borrow money from state banks and other formal financial institutions. Despite, microfinance institutions, such as financial non-governmental organizations and rural banks can provide financial support to poor with small amounts of credit at reasonable interest rates.

Even though various financial services have been provided by several financial institutions, there is little research available to show its effectiveness. The aim of this study is to analyse the contribution of micro finance provided by BRAC institution to the women's livelihood in Manmunai North Divisional Secretariat division, Batticaloa District. The 100 women beneficiaries have been taken as sample for this study. This research finds that Women can able to manage their family while they are generating income by means of micro credit. When they generate and control their own income, women can make decisions independently and have more power. The future development projects should be focused on micro credit in large scale as a strategy to reduce poverty through improving the livelihood of the poor.

Keywords: Micro finance, women, livelihood, BRAC