

# **IMPACT OF GROUP-BASED MICROFINANCE ON RURAL HOUSEHOLD INCOME: EVIDENCE FROM AN INDIAN STATE**

by

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## **Abstract**

This paper studies the impact of group-based microfinance interventions on the income of rural households in an Indian state. A stratified random sampling technique was employed to select households from four districts in the state of Orissa. The sample households were further classified into two groups according to their livelihood patterns: agriculture & allied activity and micro-enterprise & trading activity. A comparison between the target group of households participating in microfinance programs and a control group was carried out by a univariate z-test and by multiple regression analysis. The inequality in income distribution was analyzed in terms of the Gini coefficient and the Lorenz curve. The study provides strong evidence of the positive effect of microfinance programs on the income of the participating households.

**Keywords:** Microfinance, household income, rural households

# CONTRIBUTIONS OF INFORMAL SAVINGS AND CREDIT INSTITUTIONS TO RURAL DEVELOPMENT: EVIDENCE FROM NIGERIA

by

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## Abstract

The study examined the contributions of Okitipupa Multi-purpose Cooperative Union (OMCU) to the development of the local rural economy in its area of coverage. A five-year data set of the activities of OMCU and those of its members were analyzed to determine its savings mobilization capacity, enterprise finance and establishment, employment generation, and social integration of members. The findings confirmed that OMCU is a pivot on which rural development of its area of operation, revolves. This was revealed in its enterprise financing, employment generation, and wealth creation for members and non-members. Equally important is the social integration and gender equality encouraged in the appointment of women into leadership positions in OMCU and its component cooperative societies.

**Keywords:** Informal credit institutions, savings mobilization, enterprise finance, social integration, rural development, Nigeria.