

MICROFINANCE AND THE POOR : SOME CRITICAL INTERVENTIONS FROM KERALA

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ABSTRACT

This paper examines the performance of tribal groups who constitute the poorest of the poor in the microfinance programme and the economically better-off non-tribal groups in Wayanad district of Kerala. Based on the empirical data regarding various indicators of their participation, the paper suggests that the socio-economic backwardness of these tribal groups prevents them from accessing sufficient loans from microfinance programme and are unable to initiate income generating activities. As the loans availed of are utilised for consumption purposes, repayment of the microfinance loans are done by further borrowing from moneylenders and other sources, thus getting entrapped in a spiral of indebtedness.

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