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Samurdhi Credit Programme: Poverty reduction and empowering women in Sri Lanka

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After several decades of development efforts, poverty still remains a major problem in Sri Lanka. According to the 'Poverty indicators - 2011' the report of the Department of Census and Statistic, in 2009/10, estate sector, rural sector and urban poverty are 11.4%, 9.4% and 5.3% respectively. The State Sector has adopted a number of Policies and Strategies in order to reduce regional disparities, especially to reduce rural poverty. The new regime, in 1994, initiated a new poverty alleviation programme, *Samurdhi*. In order to alleviate poverty, the Government of Sri Lanka spends around Rs. 10 billion annually for the *Samurdhi* programme. The *Samurdhi* programme has three main components, poor relief programme, saving and credit programme, and rehabilitation and development of community infrastructure through workfare and social development programmes. The *Samurdhi* Credit Programme is a major component of the reduction of rural poverty and focusses especially on poor rural women. Therefore, this study was conducted to analyse the role of poverty reduction programme (*Samurdhi* credit component) in empowering poor women in Sri Lanka. Stratified Random Sampling was used to select the respondents. Fifty creditors and 50 non-creditors were selected from the Mihintale Divisional Secretarial Division in the Anuradhapura District. Data were collected by using a Questionnaire.SPSS was used as a data analysis method.

The study revealed that the *Samurdhi* credit programme played a major role in empowering women in Sri Lanka. The evidence strongly suggests that access to credit has increased the income in their families. This programme focused mainly on the level of participation in household decision making, level of access and control over family resources, level of self-confidence, level of participation community-based organizations and leadership development. Hence, women capacity in managing their household activities as well as other societal obligations has been enhanced through this program. Finally, it can be concluded that access to credit from the programme gave many women the opportunity to improve their social status within their family, society and build self-confidence in participation community development activities.

Keywords: Poverty, poverty reduction, *Samurdhi* credit component, women empowerment