

The Economics Of Microfinance

The mismatch between credit repayments and income seasonality can create serious distortions. However, typically Micro-Finance Institutes (MFIs) do not provide any adjustments due to the income seasonality. For instance in Northern Bangladesh, Income and consumption downfalls during the time of post-Aman rice plantation seasons are quite regular phenomenon which is locally known as "Monga". Poor landless agricultural wage laborers suffer the most due to this seasonality and usually they face difficulty to smooth their consumptions. As a result, it is extremely difficult to arrange the regular weekly loan repayments of the micro-credit, which they have taken during the productive part of the year. Using field experiments through RCTs in Northern Bangladesh, we randomly assigned seasonality adjusted flexible micro-credits and traditional rigid micro-credit to different borrowing groups. Examining the repayment behavior of the borrowers in the context of geographical classifications and loan designs; employing both survey and experimental methods, this study allows us to see the consequences of flexible loan repayment rules during the lean periods, and how they affect both MFIs and participating borrowers. The findings of this study have important policy implications for MFIs and policy-makers of the developing countries.

This book explores for the first time the world of micro-finance, Chinese startups, and the digitalization of the Chinese economy. Through the cases such as the Ant Financial Services Group, CFP Microfinance, micro-financial projects of China Minsheng Bank, Meixing in Nanchong, and more, this book introduces the practical exploration in the recent years from the perspectives of microfinance, financing of small and medium sized enterprises, digital inclusive finance, and credit. From the perspective of management, it especially integrates an enterprise's task, vision, and value into the design of organization process, deeply explores how to realized the double bottom lines of social and financial performances, manifests how microfinance's marginal cost is reduced by digital finance such as data, internet, cloud computing, artificial intelligence and the advantages of digital finance in providing convenient, low-cost, and touchable service, and discusses its huge technological bonus to small-amount, decentralized, and large-quantity microfinance. This book will be of value to journalists, economists and researchers.

An accessible analysis of the global expansion of financial markets in poor communities, incorporating the latest thinking and evidence. The microfinance revolution has allowed more than 150 million poor people around the world to receive small loans without collateral, build up assets, and buy insurance. The idea that providing access to reliable and affordable financial services can have powerful economic and social effects has captured the imagination of policymakers, activists, bankers, and researchers around the world; the 2006 Nobel Peace Prize went to microfinance pioneer Muhammed Yunis and Grameen Bank of Bangladesh. This book offers an accessible and engaging analysis of the global expansion of financial markets in poor communities. It introduces readers to the key ideas driving microfinance, integrating theory with empirical data and addressing a range of issues, including savings and insurance, the role of women, impact measurement, and management incentives. This second edition has been updated throughout to reflect the latest data. A new chapter on commercialization describes the rapid growth in investment in microfinance institutions and the tensions inherent in the efforts to meet both social and financial objectives. The chapters on credit contracts, savings and insurance, and gender have been expanded substantially; a new section in the chapter on impact measurement describes the growing importance of randomized controlled trials; and the chapter on managing microfinance offers a new perspective on governance issues in transforming institutions. Appendixes and problem sets cover technical material.

In this important book, William J. Baumol, Robert E. Litan, and Carl J. Schramm contend that the answers to these questions lie within capitalist economies, though many observers make the mistake of believing that "capitalism" is of a single kind. Writing in an accessible style, the authors dispel that myth, documenting four different varieties of capitalism, some "Good" and some "Bad" for growth. The authors identify the conditions that characterize Good Capitalism--the right blend of entrepreneurial and established firms, which can vary among countries--as well as the features of Bad Capitalism. They examine how countries catching up to the United States can move faster toward the economic frontier, while laying out the need for the United States itself to stick to and reinforce the recipe for growth that has enabled it to be the leading economic force in the world. This pathbreaking book is a must read for anyone who cares about global growth and how to ensure America's economic future.

The book is a contemporary compilation of important research in the area of microfinance and financial inclusion. It explores a plurality of views and experiences from different parts of the world while linking a variety of international research backgrounds. Accordingly the book will fill a gap in providing a carefully curated cross-sectorial selection of topics relevant to the development finance research community primarily but also industry practitioners who are interested in keeping abreast of developing research. Benefits in this regard also include being able to provide a platform to less established researchers offering them a voice in published form.

This dissertation endeavours to shed light on the paradox of the persistence of informal finance in urban African markets despite the emergence of a vibrant microfinance sector. To do so, it analyses the rationale of the financial choices of the micro-entrepreneurs operating in the markets of Ouagadougou (Burkina Faso). In particular, a careful examination of the motives driving the combinative use of informal and formal microfinance is carried. In order to lay deep theoretical foundations to this analysis, this thesis develops a model describing the financial behaviour of the micro-entrepreneurs in the presence of hyperbolic preferences and social influences. The solution of this model shows, inter alia, that the financial choices are not solely driven by economic motivations but also by social motivations. This result is confirmed by empirical observations which show, among other things, that social relations play an important role in explaining the persistence of informal finance. Besides, it appeared also that the combinative use of informal

finance and microfinance can be explained, on the one side, by the fact that the motives driving the demand for informal and for formal finance are not always the same and, on the other side, by the fact that these two types of financial mechanisms are more likely to be used as complements than as substitutes. Ultimately, this thesis unfolds a new perspective for apprehending the coexistence of informal and formal microfinance. Informal finance is no longer considered as a makeshift, but as an integral part of the financial landscape of the Sub-Saharan urban financial markets. Therefore, microfinance institutions and policy makers ought to adopt a more positive and pro-active attitude vis-à-vis informal finance.

The microfinance revolution, begun with independent initiatives in Latin America and South Asia starting in the 1970s, has so far allowed 65 million poor people around the world to receive small loans without collateral, build up assets, and buy insurance. This comprehensive survey of microfinance seeks to bridge the gap in the existing literature on microfinance between academic economists and practitioners. Both authors have pursued the subject not only in academia but in the field; Beatriz Armendariz founded a microfinance bank in Chiapas, Mexico, and Jonathan Morduch has done fieldwork in Bangladesh, China, and Indonesia. The book provides an overview of microfinance by addressing a range of issues, including lessons from informal markets, savings and insurance, the role of women, the place of subsidies, impact measurement, and management incentives. It integrates theory with empirical data, citing studies from Asia, Africa, and Latin America and introducing ideas about asymmetric information, principal-agent theory, and household decision making in the context of microfinance.

The proposed SDN discusses the specific macro-critical aspects of women's participation in the labor market and the constraints that prevent women from developing their full economic potential. Building on earlier Fund analysis, work undertaken by other organizations and academic research, the SDN presents possible policies to overcome these obstacles in different types of countries.

This book offers a critical perspective on the issues related to women's empowerment, microfinance, and entrepreneurship in India. Written by distinguishing experts in this field, this book highlights women's empowerment, which is a process of entrusting power to an individual on the control over resources and decisions. However, these two factors are less effective in a society where religion and cultural dominance is high. The book sheds light on the social security measures undertaken by the government aiming to the right to work helped women who are bounded by social restrictions. Over time there is a shift in rural occupational structure towards non-farm activities, which is largely distress driven self-employment. Access to credit is a great source to provide self-employment that develops self-esteem among women and uplift their position. The book highlights the discrimination against women entrepreneurs in access to credit led to gender biased entrepreneurial society. Association with self-help groups (SHGs) has made women more socially empowered. SHG members help them to change their life in a positive manner through micro-entrepreneurial activities. The book has emphasized on the role of microfinance, which has served the poor to become financially self-reliant. It is observed that for second generation borrowers, the impact of microfinance seems to fizzle out, where MFIs who are gaining efficiency are diverting their objective of servicing poor, signalling a sign of mission drift.

Since its emergence in the 1970s, microfinance has risen to become one of the most high-profile policies to address poverty and under-development in developing and transition countries. It is beloved of rock stars, royalty, movie stars, high-profile politicians and "trouble-shooting" economists. Its most famous pioneer, Muhammad Yunus, was awarded the Nobel Peace Prize in 2006. In this provocative and controversial analysis, Milford Bateman reveals that microfinance doesn't actually work. That, in fact, the case for it has largely been built on a desire to advance a particular free market ideology, on hype and egregious half-truths, and -- latterly -- on the Wall Street-style greed, deception and individual self-interest of those promoting and working in microfinance. Using a multitude of case studies from across the globe -- from India to Cambodia, Bolivia to Uganda, Serbia to Mexico amongst many others -- he exposes why many of its most fundamental building blocks are largely myths. In doing so, he demonstrates that microfinance actually constitutes a major barrier to sustainable economic and social development, and thus also to sustainable poverty reduction. As developing and transition countries attempt to repair the devastation wrought by the global financial crisis, Bateman argues forcefully that the role of microfinance in development policy needs to be urgently and fundamentally reconsidered.

This book is open access under a CC BY licence. This book provides a thorough overview of the financing behind the audiovisual industry, including television, cinema and web.

As microfinance is increasingly being absorbed into broader debates on financial inclusion and sustainable development, there is a growing number of professionals operating in international relations and development who are often confronted with sweeping statements about the alleged benefits and risks of microfinance. This book provides a concise introduction to microfinance - the key issues, debates, research agenda and public policy relevance. Illustrated by real-life examples, the book's sections also highlight key publications and data sources and identify gaps for future research. The book will be an invaluable resource both for development economists and for scholars in neighbouring disciplines who need to get up to speed quickly on the current debates and research in microfinance.

The book discusses on the understanding of microcredit in Indian and global perspective. Microfinance lending models like Self-help Group, Grameen Joint Liability Group, Cooperatives are described. Microfinance impacts are discussed with respect to income, saving, employment, literacy and migration. Exhaustive scanning of literature on microcredit studies is done. Microfinance and microcredit impact assessment methodologies are analyzed. In-depth discussion is made on the methods of sampling, unit of analysis, data collection, impact assessment models, application of statistical and quantitative models in microfinance/microcredit impact measurement. Finally the book provides empirical findings on the microfinance/microcredit impacts on rural households of India. This book is primarily helpful for researchers and practitioners in the domain of microfinance.

Handbook of Microfinance addresses the gap between clients who are benefiting from access to financial services via MFIs, and the potential market, which remains underserved or untapped. This gap can be attributed to a "mismatch" between what consumers, or potential clients, demand and what MFIs offer in terms of financial products. The scope of the book is wide. It includes successes and failures, main challenges and debates, methodologies for impact evaluation via random trials, leading trends in Asia versus Latin America, main efforts in Africa, the importance of value chains in Central America, ethical and gender issues, savings, microinsurance, governance, commercialization trends and the potential advantages and disadvantages of it. Lastly it features main lessons from informal finance and 19th-century credit cooperatives addressing the above-mentioned mismatch.

Seminar paper from the year 2006 in the subject Economics - Finance, grade: 1,0, University of Massachusetts - Amherst (Department of Economics), course: Wirtschaftliche Entwicklung - Economic Development, 31 entries in the bibliography, language: English, abstract: Rewarding the Nobel Peace Prize to Muhammad Yunus, the committee acknowledged that microfinance is the latest fashion of both

development policy and development economics, some call it even a "popular mass movement" (Woller et al. 1998). Indeed, the development over the last 30 years is impressive: Today, more than 100 million poor have access to small loans. While the formal financial sector perceived financial services to the poor "unimportant for the economy, unprofitable for financial institutions, and unnecessary for the poor," modern microfinance institutions (MFIs) have proven that high recovery rates do not depend mainly on circumstances and the characteristics of the borrower, but on the design of the credit program: "repayment depends fundamentally on factors within the control of the lending institutions" (Robinson 2001). This paper gives a short overview about the roots of modern microfinance and its global history. Some central theoretical aspects of financial markets are discussed and the main innovations of modern microfinance are presented. Focusing on Latin America, the paper shows that microfinance is booming on the continent. While Village Banks, focused on the poor, are still growing, a larger trend goes towards commercialization, including the entrance of established banks to the market. It seems quite clear that these banks reach even less of the poorest than not for profit NGOs do. More disturbing, there is little empirical evidence that microfinance can help many poor people in Latin America. The role of microfinance in the overall development progress is small at best.

Microfinance has become an important component of development, poverty reduction and economic regeneration strategy around the world. By the early twenty first century tens of millions of people in more than 100 countries were accessing services from formal and semi-formal microfinance institutions (MFIs). Much of the initial attention on microcredit came through work on Bangladesh's much-lauded Grameen Bank but, there are now many different 'models' for microfinance and many countries have substantial microfinance sectors. This timely book, written by one of the major players in the UK in development economics explores, amongst others, topics such as: microfinance and poverty reduction microfinance, gender and social development microinsurance regulating and supervising microfinance institutions. Topical and insightful, this important text examines what has become a vast global industry employing hundreds of thousands of people and attracting the attention of large numbers of governments, banks, aid agencies, non-governmental organizations and consultancy firms.

This book examines the determinants of financial performance of microfinance institutions (MFIs) in Ghana and Uganda, against the backdrop of the public and academic debate over the financial and social implications of microfinance. In the absence of a conceptual model, the study chooses an inductive research approach with the objective of defining and developing a conceptual model with the capacity to explain, quantify, and compare the performance of MFIs. The research is particularly relevant in the African context where microloan interest rates regularly exceed 100% per annum and where the microfinance industry is lacking behind its global peers in regard to financial and social performance. (Series: Contributions to the Africa Research / Beitrage zur Afrikaforschung - Vol. 59) [Subject: Economics, Finance, African Studies]

Experts report on the latest research on extending access to financial services to the 2.5 billion adults around the world who lack it. About 2.5 billion adults, just over half the world's adult population, lack bank accounts. If we are to realize the goal of extending banking and other financial services to this vast "unbanked" population, we need to consider not only such product innovations as microfinance and mobile banking but also issues of data accuracy, impact assessment, risk mitigation, technology adaptation, financial literacy, and local context. In *Banking the World*, experts take up these topics, reporting on new research that will guide both policy makers and scholars in a broader push to extend financial markets. The contributors consider such topics as the complexity of surveying people about their use of financial services; evidence of the impact of financial services on income; the occasional negative effects of financial services on poor households, including disincentives to work and overindebtedness; and tools for improving access such as nontraditional credit scores, financial incentives for banking, and identification technologies that can dramatically reduce loan default rates.

Southeast Asia's Credit Revolution describes and explains the rise of microfinance – the provision of credit and other financial services for the poor – in Southeast Asia, over the past four decades the most consistently successful region of the developing world. In recent years microfinance has come to be seen as a key weapon in the battle against global poverty, generating more enthusiasm and optimism than any other development strategy. Southeast Asia has a special place in the history of microfinance. Historically, Southeast Asian societies and economies were perceived as almost uniquely debt-ridden and credit-constrained. In the twentieth century, however, the region was in the forefront of the modern microfinance revolution. This book asks what factors have made it possible for formal microfinance institutions to replace moneylenders and other traditional credit providers. Bringing together economists, sociologists, anthropologists and historians, the book covers seven Southeast Asian countries. The topic is explored from cultural and institutional as well as economic perspectives, and policy-relevant lessons are offered for the design of successful microfinance institutions. Focusing on recent developments while putting them in historical context, this will be an important text for scholars and students of economic history, finance, institutional economics, and Asian Studies.

This book brings together empirical evidences and theoretical perspectives to provide a comprehensive overview of the microfinance sector in India. The essays in the volume: focus on the application of information and communication technology (ICT) solutions in microfinance institutions to strengthen the savings movement and widen credit access to the poor and marginalized sections of society; present case studies on self-help group (SHG) movements, federations and SHG-Bank Linkage programmes; propose measures for strengthening regulatory and governance structures of the microfinance sector; and identify linkages between overall financial inclusion and the contribution of microfinance institutions (MFIs). The volume will be indispensable for scholars and researchers of microeconomics, South Asian economics and development economics as well as professionals and aspirants in the microfinance, rural banking and financial inclusion sectors.

The remarkable speed at which microcredit has expanded around the world in the last three decades has piqued the curiosity of practitioners and theorists alike. By developing innovative ways of making credit available to the poor, the idea of microcredit has challenged many traditional assumptions about both poverty reduction strategies and financial markets. While this has encouraged new theorising about how microcredit works, the practice of microcredit has itself evolved, often in unpredictable ways, outpacing the development of theory. *The Theory and Practice of Microcredit* aims to remedy this imbalance, arguing that a proper understanding of the evolution of practice is essential both for developing theories that are relevant for the real world and for adopting policies that can better realize the full potential of microcredit. By drawing upon their first-hand knowledge of the nature of this evolution in Bangladesh, the birthplace of microcredit, the authors have pushed the frontiers of current knowledge through a rich blend of theoretical and empirical analysis. The book breaks new grounds on a wide range of topics including: the habit-forming nature of credit repayment; the institutional strength and community-based? role of microfinance institutions; the relationships between microcredit and informal credit markets; the pattern of long-term participation in microcredit programmes and the variety of loan use; the scaling up of microenterprises beyond subsistence; the "missing middle" in the credit market; and the prospects of linking micro-entrepreneurship with economic development. The book will be of interest to researchers, development practitioners and university students of Development Economics, Rural Development, or Rural Finance, as well as to public intellectuals.

The Economics of Microfinance, second edition MIT Press

In this work, the authors report on the yearlong 'financial diaries' of villagers and slum dwellers in Bangladesh, India, and South Africa. The stories of these families are often surprising and inspiring. Microfinance has experienced dynamic development. Today, microfinance providers reach close to 100 million clients worldwide and are growing fast. New partnerships expand the impact of microfinance even further. Three types of partnerships are examined in this book, each consisting of a thematic pillar. Pillar I focuses on equity investments in microfinance, especially the possibilities for engaging private

investors through structured microfinance investment funds. Rating agencies are involved in providing more transparency in this emerging fund industry. Pillar II focuses on collaboration among microfinance providers, governments, private investors and technology companies which help microfinance institutions to integrate new technologies into their business models, reducing cost and increasing outreach to clients. Pillar III covers micropensions, microinsurance and the role of securitisation for the future of microfinance.

. . . a valuable resource that traces the changes in the microfinance sector from its origin until now. . . The book will serve as a good reference point for future debate in these areas. Microfinance Insights In 2006 the Nobel Peace Prize was awarded to Muhammad Yunus for his work on microfinance, dramatically changing attitudes towards capital markets. Suresh Sundaresan has assembled an impressive set of scholars and practitioners in this book to bring together recent practical innovations and policy questions in the realm of microfinance. The contributions emphasize practical solutions to problems facing the field by examining capital markets, providing a framework for thinking about regulation, and raising questions about gender empowerment. They examine recent developments in the field, research findings, and the challenges that lie ahead. This book takes a solid step toward a systematic analysis of the implications of microfinance for the role and regulation of capital markets. The authors address integration of capital markets with microfinance, technological innovations such as the use of mobile phone technology, the consequences of women's access to micro-loan borrowings, and the regulatory challenges and opportunities emerging as the landscape of microfinance dramatically evolves. Practitioners, policy makers, and academics in the fields of developmental economics, finance, gender studies and public and development policy will enjoy this analytically rigorous work.

Advanced Technologies for Microfinance: Solutions and Challenges is the first book to systematically address technology's impact on microfinance. It discusses a wide variety of technology applications that will define the next generation of the microfinance movement and it addresses the tough questions surrounding technology in microfinance. For instance, what are the disadvantages of technology-enabled microfinance and what will it mean for the inclusiveness and empowerment of the service? This dynamic collection is a must-have for anyone interested in microfinance, whether you are a donor, lender, or investor.

Financial inclusion through microfinance has become a powerful force in improving the living conditions of poor farmers, rural non-farm enterprises and other vulnerable groups. In its unique ability to link the existing extensive network of India's rural bank branches with the Self Help Groups (SHG), the National Bank of Agriculture and Rural Development (NABARD) has covered up to 97 million poor households by March 2010 under its Self Help Group Bank Linkage Programme. Policy-makers have proclaimed SHGs as "the most potent initiative ... for delivering financial services to the poor in a sustainable manner." This book presents a comprehensive scientific assessment of the impact of the Self Help Group Bank Linkage Programme (SBLP) on the member households. The book discusses wide-ranging topics, including the rural financial sector in India, the history and structure of the SBLP, the impact methodologies, the economic and social impact of microfinance, its role in building assets while reducing poverty and vulnerability, the role of women and their empowerment, training and accumulation of human capital and policy implications of lessons learned. The empirical results show that vulnerability of the more mature SHG members declines significantly. Vulnerability also falls for villages with better infrastructure and for SHGs that are formed by NGOs and linked by banks. The results strongly demonstrate that on average, there is a significant increase in the empowerment of the female participants. The economic impact of SBLP is found to be the most empowering. Greater autonomy and changes in social attitudes also lead to female empowerment. The investigation further reveals that training (especially business training) has a definite positive impact on assets but not on income. The impact of training can be improved through better infrastructure (as in paved roads), linkage model type, and the training organiser. Bridging the gap in the existing literature and between academics and practitioners, this book moves beyond the usual theoretical issues in the impact assessment literature and draws on new developments in methodology. It will be of interest to academics, development practitioners and students of economics, political science, sociology, public policy and development studies.

An assessment of "the microfinance revolution" from an economics perspective that draws on lessons from academia and international practice to challenge conventional assumptions.

Studienarbeit aus dem Jahr 2009 im Fachbereich VWL - Fallstudien, Länderstudien, Note: 2,3, Johann Wolfgang Goethe-Universität Frankfurt am Main (Fachbereich Wirtschaftswissenschaften), Veranstaltung: Economics of Microfinance , Sprache: Deutsch, Abstract: Diese Seminararbeit soll einen Einblick in die Arbeit eines der erfolgreichsten Sozialunternehmen der Welt geben, der Grameen Bank. Die Grameen Bank (zu deutsch Dörfliche Bank), gegründet 1983 in Bangladesch, zählt nicht nur aufgrund ihrer Größe (16.000 Mitarbeiter; 6.700 Millionen US-Dollar Kreditvolumen) zu den bekanntesten Mikrofinanzinstituten (MFI) der Welt, sondern hat die Mikrofinanz in den 80er Jahren durch ihr sehr innovatives Kreditvergabesystem, dem Group Lending geprägt. Die Arbeit greift oft auf theoretische Konzepte und Erkenntnisse über Anreizstrukturen und Group Lending in der Mikrofinanz auf und stellt diese in den Kontext der praktischen Umsetzung durch Grameen und das Restrukturierungsprogramm Grameen II. Dieses hat sich die Bank nach einer langen Zeit der Kontinuität bzw. des Stillstands – je nach Perspektive – im Jahre 2000 verordnet und dadurch ihr Gesicht signifikant verändert, vor allem auch, was die Gestaltung von Anreizstrukturen angeht. Für die Mikrofinanz kann man Anreizprobleme auf drei Ebenen, von denen diese Arbeit zwei aufgreift, identifizieren: Zwischen Geldgeber und MFI, zwischen dem MFI und seinen Mitarbeitern und zwischen MFI und Kreditnehmern. Abschnitt 2 stellt in kurzer Form die wichtigsten Neuerungen durch Grameen II vor und bereitet damit den ständigen Vergleich theoretischer Erkenntnisse mit der Tätigkeit der Bank vor. Abschnitt 3 befasst sich mit den Anreizproblemen in der Beziehung zum Kunden, wie Moral Hazard und Adverse Selection, beschreibt, welche Antworten Grameen auf diese Herausforderungen gefunden hat und wo unter

Umständen Verbesserungsbedarf besteht. Kapitel 4 widmet sich mit der gleichen Vorgehensweise der Moral Hazard Problematik in der Beziehung zu den eigenen Mitarbeitern. Microfinance is defined as the financial services offered to the poor for the purpose of promoting small-scale enterprises, and as such it is one of the most important topics in development studies and a burgeoning area in economics. This volume provides a much-needed historical, political and economic dimension to the current knowledge on microfinance. Collectively, the contributors chart the relationship between the prevailing popularity of microfinance and the consolidation of neoliberal economic ideology worldwide. They demonstrate how microfinance, as a market-friendly approach to development, coincides with the global trend towards diminishing the role of the state in economic development, basic healthcare, education and welfare. The articles in the volume focus on the empirical analyses of the experience of microfinance in women's everyday lives, but rejects the connection between microfinance and women's empowerment so often imputed in literature. This book offers regional, cultural and other explanations for variable assessments of microfinance and empowerment. It fills a huge gap in published microfinance literature and will be of great interest to postgraduates and professionals in the fields of economics, international finance and banking.

A change in finance for low-income people is occurring around the world. The microfinance movement provides services on a wide scale by competing, financially self-sufficient institutions to the economically active poor. Microfinance has been credited for promoting the Millennium Development Goals, poverty reduction, women's empowerment, and many other social benefits. This extensive microfinance survey aims to bridge the gap between academic economists and practitioners in the current microfinance literature. Micro-financing and the Economic Health of a Nation set a precedent for future work in the sector as the premier book to provide a detailed analysis of housing microfinance worldwide. By addressing a number of issues, including lessons from informal markets, savings and insurance, the role of women, the position of subsidies, impact assessment, and management incentives, this book offers an overview of microfinance. This book reviews essential issues for foreign and domestic microfinance organizations that are considering expanding into housing and for providers of traditional housing loans that aim to provide their services to poor clients who lack collateral or regular income, with clear guidance for practitioners and policymakers. Micro-financing and the Economic Health of a Nation can be used by students in economics, public policy, and development studies. This volume offers a reasoned, moderate voice on the virtues and problems of microfinance.

How can financial services, such as credit, deposit accounts, financial transfers, and insurance be provided to people in need? This challenging and complex issue has been a topic of interest for the international aid community for decades. Drawing on renowned experts in microfinance and financial inclusion, this Research Agenda sheds much-needed light on this multifaceted challenge and points the way ahead for future research.

"A major amendment to the fight against poverty in the last few decades has been the development of microcredit lending programs, or programs that extend small loans to very poor people for self-employment projects in order to generate income to care for themselves and their families. Stemming from Muhammad Yunus's work in economics and microfinance, the Grameen Bank was born in 1976 beginning a trend that today continues to revolutionize the way in which we reach out to the "bottom of the economic pyramid", or those 3 billion people living in extreme poverty on less than \$2 a day. The United Nations Millennium Development Goals (MDGs) have forced policymakers to change the way in which they view poverty, the world's poorest populations, and current poverty alleviation methods. By modernizing perspectives and reevaluating preconceived notions about the bottom of the economic pyramid, a new framework for the reduction of poverty will evolve. This thesis originally developed from my interest in Corporate Social Responsibility and my internship experience at Burson-Marsteller Paris writing for Groupe Danone's internal communication network regarding its recent partnership with The Grameen Bank to create the Grameen Danone Foods Social Business Enterprise in Bangladesh. It was here during my first semester at AUP and L'Institut Catholique de Paris that this internship turned me on to the greater importance of the United Nations MDG for 2015, with goal number one having measurable results "to reduce by half extreme poverty and hunger by 2015". My experience at Burson-Marsteller Paris first introduced me to microcredit and Professor Muhammad Yunus's research. Now, with just five years left to reach its first measurable goal, I wonder about the progress of the MDGs, specifically the first with respect to the developments of microcredit lending worldwide. Intrigued by how I could personally get involved in microcredit lending, and with the gracious help of my father, I discovered Kiva.org, a Bay Area non-profit microcredit lending organization that pledges itself to reducing global poverty one microcredit loan at a time. In light of the first United Nations MDG, this thesis will seek to understand whether current Kiva.org microcredit lending structure is the most effective microcredit tool towards helping to reduce poverty among those 3 billion people living at the bottom of the economic pyramid on less than \$2 a day."

In general, the effectiveness of microfinance-driven poverty-alleviation programs run by Government Organizations (GOs) and Non-Government Organizations (NGOs) in developing countries, such as Bangladesh, is assessed by repayment rates, the number of beneficiaries, the area coverage, the amount of loans disbursed, the cost of operations, profitability, and the financial sustainability of the projects. This study argues that these methods are quite restrictive since none of them reflect the perceptions of poor people concerning the effectiveness of such projects. Development agencies such as GOs and NGOs have never been compared on the basis of service delivery effectiveness (a process-based comparison); nor have they ever been compared on the basis of their relative contribution to raising the living standards of the poor (an outcome-based comparison). Both types of comparison are crucial to poverty reduction. The main reason behind the absence of such comparisons is the unavailability of the appropriate parameters that could be used for such analysis. For the process-based comparison, this study develops and validates a two-dimensional multi-item service delivery effectiveness scale through construct, convergent, discriminant and nomological validity. The scale captures different aspects of effectiveness in the delivery of services. These aspects are termed the 'credibility dimension' and the 'focus towards beneficiaries dimension' of service delivery in poverty-alleviation programs. For the output-based comparison, this study also develops and validates a 'multidimensional poverty model' to compare the effectiveness of GOs and NGOs in contributing to the

economic, social, political, and cultural elements in the lives of the poor. The methodology is based on 930 samples collected from 12 districts and 107 randomly chosen villages in Bangladesh during September–December 2009.

Research on MFI performance is still in its infancy. MFIs are hybrid organizations with dual objectives. Performance studies in microfinance are therefore less straightforward compared to performance studies in traditional banking research. This book contains new MFI performance research by top scholars from across the globe.

Analysis of Latin America's economy focusing on development, covering the colonial roots of inequality, boom and bust cycles, labor markets, and fiscal and monetary policy. Latin America is richly endowed with natural resources, fertile land, and vibrant cultures. Yet the region remains much poorer than its neighbors to the north. Most Latin American countries have not achieved standards of living and stable institutions comparable to those found in developed countries, have experienced repeated boom-bust cycles, and remain heavily reliant on primary commodities. This book studies the historical roots of Latin America's contemporary economic and social development, focusing on poverty and income inequality dating back to colonial times. It addresses today's legacies of the market-friendly reforms that took hold in the 1980s and 1990s by examining successful stabilizations and homemade monetary and fiscal institutional reforms. It offers a detailed analysis of trade and financial liberalization, twenty-first century-growth, and the decline in poverty and income inequality. Finally, the book offers an overall analysis of inclusive growth policies for development—including gender issues and the informal sector—and the challenges that lie ahead for the region, with special attention to pressing demands by the vibrant and vocal middle class, youth unemployment, and indigenous populations.

[Copyright: eab8c7d18bef96e7a1047d3be4c623d0](#)