

# Gendered Impact of Rural Livelihood Development Interventions—a Case Study from Sri Lanka through a Longitudinal Lens.

First Draft [February, 2010]

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## Abstract

This paper investigates medium term gender impacts of a livelihood project in Sri Lanka. The availability of baseline data, collected by Gemidiriya Project in 2004, provides a rare opportunity to look into longitudinal evolution of gender issues during the project period. The data collection in June 2010, involved painstakingly tracing 110 households in West Mudunkotuwa village who had participated in the 2004 survey. Both quantitative and qualitative methods are used to examine the impact using the DFID's sustainable livelihoods framework. The paper overcomes methodological challenges/limitations in conducting research using already available micro data.

The income of the households has significantly increased due to greater longitudinal diversification of livelihoods strengthened by access to loans and savings, for both males and females. There has also been a significant improvement in female participation and leadership in the village. However the livelihoods strategies, and therefore the incomes, remain gendered. The persistence in medium term gender disparity in livelihoods leads us to question the sustainability of these gendered initiatives.

**Keywords:** Livelihoods; Women Empowerment; Poverty; Sri Lanka; livelihood framework

## **1. Introduction**

“Gender equality and women empowerment have been for a long time considered as a moral and legal issue. Recently, these issues have taken on a very different connotation mainly in terms of economic efficiency” (Sanga 2007). Gender unbalance development hinders the economic efficiency particularly through sub optimal allocation of resources and ultimately it not only aggravates income poverty but also leads to greater deprivation and dissatisfaction of social needs such as nutrition, health and education (Kelker 2005; Sanga 2007). A desk review of the World Bank projects in 1997 discovered that the projects which pay particular attention on gender differentiated needs of the community in their development plans have more tendencies towards achieving better on-the ground impact than the projects which ignore gender differences (Murphy 1997; Kelker 2005). As a consequence, World Bank and other International Development Organizations embarked on more gender sensitive development efforts in the recent years. These initiatives include promoting inclusion of women in mainstream development, improving legislative frameworks and institutional development to increase awareness on gender equality in developing countries (Lopez and Zahidi 2005) and Sri Lanka is no exception to this.

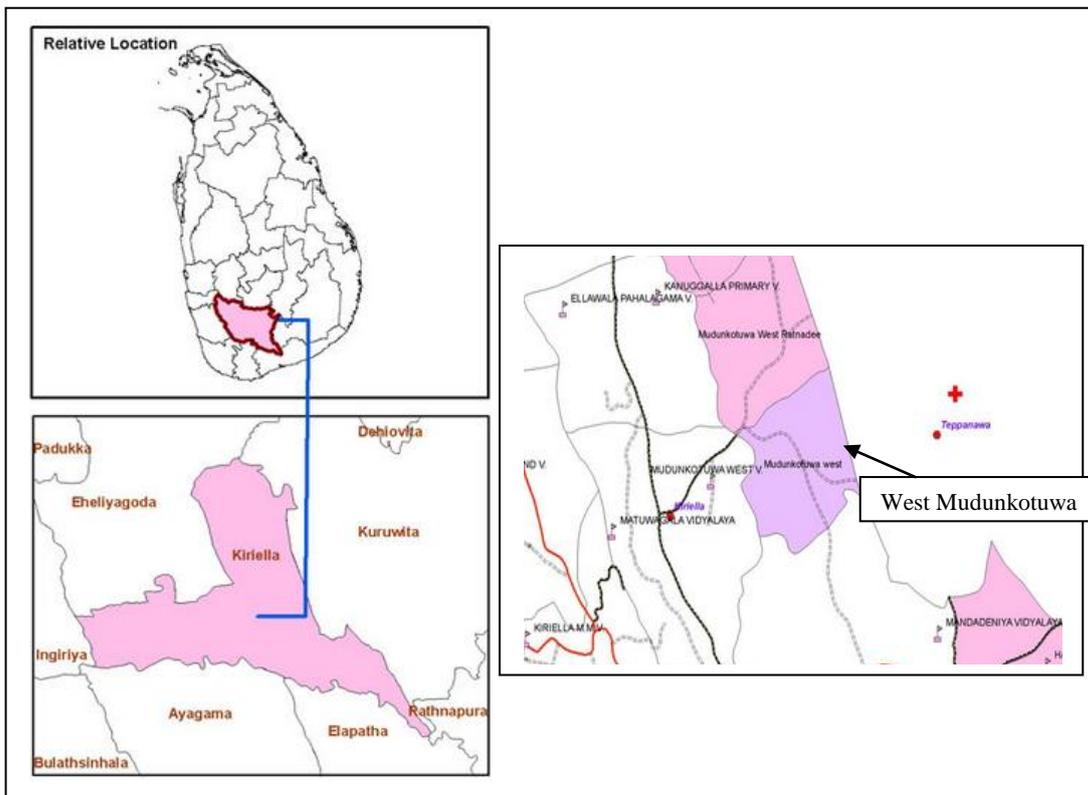
On the other hand, Islam and Haque (2007) and Kelker (2005) state that majority of South Asian countries have not been able to add effective operational value to these policy initiatives and hence the ability of these initiatives to foster a sustainable structural transformation in favor of women is weaken. Although Sri Lanka is also still struggling to accommodate gender sensitive development approach, (Alagon and Alakaduwa 2010) quite a number of development interventions in the country adopt gender sensitive development approach in order to promote gender equality and empower women. Gemidiriya Rural Development and Livelihood Improvement Project (Gemidiriya project) is one such development intervention which aims to mainstream gender in development, awareness building on gender equality, ensure women’s equitable participation and benefit sharing and provision of special assistance to the most vulnerable women (Rygnestad 2009). This paper provides a quantitative and qualitative evidence of medium term impact of Gemidiriya project across genders. In doing so, the study uses a longitudinal approach to examine the status of women in the West Mudunkotuwa village over a period of six years by

comparing the baseline data with the current data. Hereafter, information of the baseline data is referred as 2004 data while the 2010 data refers to the current data collected in year 2010 at the end of the first phase of the project.

West Mudunkotuwa village is situated in about 20 km away from the Ratnapura town in Ratnapura district Sri Lanka. The 2006/07 Household Income and Expenditure Survey (HIES) reports Ratnapura district as one of the poorest districts in the country with 229,000 of highest number of poor people<sup>1</sup>. The poverty Head Count Index (HCI) for the district is 26.6 (2006/07) and this is far above the national poverty HCI of 15.2. (DHS 2009). In year 2006, 46.8 per cent of the total population is engaged in agricultural sector. The main means of livelihoods are gem mining, tea, rubber and paddy cultivation and home gardening. West Mudunkotuwa village is a remote village with limited road access.

**Figure 1**

Map of West Mudunkotuwa Village



Source: Project Implemented Area (Gemidiriya 2011)

<sup>1</sup> In 2006/07, 229,000 people lived below official poverty line of Rs. 1423. (HIES 2006/07)

The study of gendered impact of rural livelihood interventions is important for two reasons. Firstly, it explores gender issues in access to livelihood strategies (Pasteur 2002) . It is quite obvious that there is a significant distinction between gender roles, responsibilities and access to resources both in household level and societal level and hence, livelihood needs of men and women are also different (Juma 2007). Therefore, particular attention must be paid to address these issues in livelihood interventions and gendered impact assessments provide better understanding of how effective these interventions are in overcoming gender barriers in order to enhance sustainable livelihoods.

Secondly, gathering and analyzing gender disaggregated data provides quantitative and qualitative information on gender dynamics in development (DFID 2009). The feminist researchers and women's movements have shown their discontent about inadequacy of gender disaggregated data in recent gender sensitive development initiatives and hence they state that women's development has not been adequately captured by recent poverty assessments (Islam and Haque 2007).

The data gathered by primary and secondary sources provides information on economic and social sphere of the individuals in the village and hence this paper is focused on analyzing medium term impact on economic and social aspect of gender inequality in the village level. Economic sphere is discussed by using income level, access to loans and savings behavior while educational attainment and social participation and leadership opportunities for female in the village level is used to discuss the social aspect.

Chambers and Conway (1992) define livelihoods as constituting capabilities of people, tangible and intangible assets and activities undertaken to make a living. The term 'sustainable livelihoods' coined by Conway of the UK Department for International Development (DFID) in the same research paper has become a key concept in present day poverty debates. This paper uses DFID sustainable livelihood approach to analyze the gendered impact of the project. However, more emphasis will be given to explain how the gender sensitive development interventions can influence the financial, social and human capital components of the asset pentagon in the framework out of five types of capital upon which livelihoods are built. As sustainable livelihood framework suggests, any intervention that would create any sort of impact on the ownership of the above mentioned asset type would invariably influence the sustainability of their

livelihood strategy (DFID 1999). Hence, in our research we examine the impact of the development intervention on the asset ownership of individuals of this village with a particular emphasis on changes in assets ownership of female and provide qualitative and quantitative evidence in this regard. Furthermore, comparison of the access to those assets in year 2010 with baseline data in 2004 where no such development efforts were in the picture provides a rare opportunity to identify the real impact on the gender inequality in the village.

Literature on feminist research methods is critical of ‘mainstream’ economic methods that rely only on quantitative data, as they are inadequate for analyzing feminist concerns (Beneria 1995; Olmsted 1997; Pujol 1997). According to these critics “the survey data could tell only a very limited story, leaving out much important information” (Olmsted 1997). Moreover qualitative techniques are useful to explore how market decisions and behavior interplay with non-market activities of a household (Strassmann 2008). These techniques are effectively used to prove that non-market activities performed by women in a household are a decisive factor in determining market based—mostly male dominated household incomes. For these reasons we have gathered qualitative information on our sample based on lived experiences. These measures have greatly enriched (sometimes even altered) our research experience and have answered different type of questions than our quantitative or statistical analysis did. As a result we were able to uncover many asymmetric burdens and impacts of economic and social inequalities of women. This input from rural livelihood literature is a valuable, and a unique, addition to the feminist economic scholarship.

This paper contributes to the gender and development literature in five ways. Firstly, longitudinal household surveys which capture the information regarding economic and financial situation of households for different time periods are still very rare in developing countries (Aassve, et al. 2005) and gendered analysis in this kind is even rarer. Here we have made an attempt to identify the longitudinal properties of the gendered impact over a six years period. This was possible due to the availability of baseline data with the Gemidiriya Foundation and the first author had access to them during the 3 months internship program undertook with the Gemidiriya Foundation. Secondly, the used of mixed methods would also be unique in the literature. Combining both quantitative data and qualitative data in a longitudinal study is

complicated (Teachman 2009). Thirdly, in the existing literature on the livelihoods, only very few have looked into gendered horizontal inequality in rural livelihoods in Sri Lanka. Fourthly, this paper also contributes to literature on female headed households. In theory and in empirical work, most attention has been on *de jure* lone mothers who constitute a relatively clear-cut category and usually predominate over other types of female heads (Ruwanpura and Humphries 2004). Our definition of female headed household is also the same. Fifthly, although use of project level micro data on academic purposes are not very common particularly due to its own limitations, we have however in this paper, made an attempt to overcome the methodological challenges/limitations in conducting research using already available micro data .

The paper is organized as follows. The introduction is followed by the section of brief introduction of the Gemidiriya project. The section three is devoted to explain the data and methodology where we give a detailed explanation of the gender sensitive research methods used here as well as the data that has come out of that process. The section four provides systematic analyses of the quantitative data and provides detailed qualitative information on them as well. The section five consists of four selected case studies which provide some real experience of the impact of the project and the final section provides concluding remarks.

## ***2. Gemidiriya Rural development and livelihood improvement project<sup>2</sup>***

Gemidiriya project is implemented in parallel with the government poverty alleviation strategy. It is a 12 years project which commenced on 2004 and completed the 1<sup>st</sup> phase in 2010. The project aims to provide a rural community with an enabling environment to improve their livelihoods and thereby enhance better quality of life. The project facilitates the village community to establish a village community organization and this organization is registered as a People's Company under the Company's Act. Each People's Company is responsible for designing their own

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<sup>2</sup> The information in this section is entirely taken from Gemidiriya Rural Development and Livelihood improvement project report (Gemidiriya 2007) unless otherwise stated.

village development plan with participation of more than 80 per cent of the families in the village and 50 per cent and 30 percent of women and youth participation respectively. These People's companies and village development plans are entirely operated and managed by a Board of Directors and a set of committees including Finance Committee, Procurement Committee, Social Audit Committee, Village Savings and Credit Organization (VSCO) and Sub Project Committees which comprise of 50 per cent or more female representation. This is mandatory to enhance female participation and leadership in the village level activities.

The project identifies several reasons for deep rooted poverty among rural community in the country namely; non inclusion of women and youth which constitute more than 50 per cent of the population in the mainstream poverty reduction initiatives, absence of adequate sources of micro finance to provide the rural community with start up capital and other emergency cash requirements, unavailability of adequate savings and reinvestment of the savings within the village economy, lack of proper infrastructure facilities and inadequate opportunities for capacity building and skill development. Hence the project aims to facilitate rural communities to overcome these obstacles. Apart from specific targets to increase female participation in the development process, the project uses a Community Driven Development (CDD) approach to increase community participation in all project activities in order to enhance the sustainable continuation of the initiatives even after the completion of the project. The project has three major components namely Livelihood Improvement, Capacity Building and Infrastructure Development. This paper focuses only the gendered impact of the Livelihood Improvement component of the project. The funds allocated to livelihood component are used for three sub-components as Credit and savings funds where 5 per cent of this is allocated for Onetime grants for severely vulnerable people, innovative seeds Fund and skill development loans.

The notion of "microfinance" in the context of rural development has been played a major role in overcoming the access barriers to formal sector financial services for poor people particularly due to lack of collateral agreements and secured monthly income. The Gemidiriya project identified this issue and embarked on a unique microfinance service as a sub-component of the livelihood component of the project. Under this, each village receives funds from Savings and Credit Fund to initiate a village specific micro credit programme which is operated by VSCO committee

which should comprise of 50 per cent female participation. Having compulsory savings of 10 per cent of the expected loan is a pre requisite to apply for loans. This microcredit programmes is unique since unlike in other microcredit programmes which take away the interest money paid by the people, Gemidiriya microcredit programme ensures the interest payment collected in a particular village is invested in the VSCO in the same village and it operates as a revolving fund which will gradually increases the lending capacity and allows increased and sustainable financial strength of the village itself. The terms and conditions are decided by the villagers themselves so that it provides a greater autonomy and flexibility in disbursing loans. The loans scheme is flexible enough to extend the loan repayment date until the loan holders obtain their harvest. Furthermore, since the decisions are entirely taken by the members in the village, this microcredit programme has been able to disburse funds in timely manner (usually within less than one week). 5 per cent of the Savings and Credit Fund is allocated to provide Onetime Grants for severely vulnerable people as a start-up capital for any desired livelihoods. The VSCO is responsible for constant monitoring of the usage of Onetime Grant.

The second sub component of the livelihood fund is to provide skill development loans. This is slightly different from VSCO loans since this does not require loan applicant to have any savings in the VSCO. The loans are provided for applicants who are willing to undertake any skill development activities such as computer training, tea cultivation, mushroom farming, tile cutting and so on. The third component of Innovative Seeds Funds is provided to encourage innovative ideas to improve economic and social development of the community.

There are 238 households in the West Mudunkotuwa village with 1026 population. 127 households in the village have recognized as poor, 68 as middle income earning households and 43 as rich during the base line survey<sup>3</sup>. Village monthly updating information indicates that it received Rs. 138,510 as Onetime Grant fund, Rs. 277,020 as Skill development fund and Rs.2, 354,670 as Savings and Credit Fund. The Onetime grant has been awarded to 12 households and 10 out of 12 are female headed households. The grant holders have started various home based livelihood strategies with the money and 10 households carry out their businesses successfully while 2

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<sup>3</sup> The indicators of the household categorization is unique to the Gemidiriya project and it is different from the national level household categorization standards

families fall into unsatisfactory category. Furthermore, it states that the loan repayment rate is as high as 96 per cent in VSCOs (Gemidiriya 2011).

### **3. *Data and Methodology***

The paper uses both primary and secondary data. The primary data consists of a survey conducted in West Mudunkotuwa village in the Ratnapura district in Sabaragamuwa province and in depth interviews with some selected household members, female who are holding managerial positions in the project committees and informal interviews with the project officers in the head office and the field office. In view of the objectives of this paper, the current respondents who had also participated in the baseline survey were selected using a random sampling method. 238 household had participated in the base line survey conducted by the Gemidiriya project in year 2004 and the current data collection in 2010 involved painstakingly tracking 110 households who had participated in the base line survey and hence updating their data for six years. The 110 households examined in this work were sustained by 181 individual workers. The rest of the household members, the dependents, added up to a total of 457 persons. The questionnaire used to collect current data was quite similar to the base line survey questionnaire except for several structured questionnaires to gather specific qualitative information. The sampling unit was the household and out of the 110 household selected, 13 households were female headed and 97 were male headed. Where relevant, we used institutional information to triangulate the information furnished by the households. Field visits and observation methods were also used over a two-week period in July, 2010. Only one research team consisting of two field researchers was used and the team was guided by the first author.

Though our sampling unit was the household, we obtained demographics of all individuals members of the households. Thus we, in this work, in addition to looking at household data, also looked at individual level which consisted of men and women who are economically active in the households. Hereinafter all references to individual data should be deemed to refer to the data on these individual earners.

The secondary data includes the baseline survey data collected by the Gemidiriya Foundation in 2004 and project specific documents. However, there were some discrepancies between the data entry format of the baseline survey and current survey and hence it involved meticulous conversion of the current data into baseline survey

data entry format. Apart from that some important information which are necessary to examine the financial, human and social capital ownership of the female over the time were missing or incomplete in the baseline survey, and hence the selection of the variables to examine the gendered impact was much tricky. Furthermore, where necessary, we verified the accuracy of the baseline survey data by including some extended questions making respondents to recall the prior to project condition.

#### **4. *Feminization of poverty: Livelihoods based analysis***

When examining the properties of the sample selected for the current survey, 51 per cent out of 457 individuals is male and 49 per cent is female. Furthermore, 12 per cent out of 110 households are female headed while 88 per cent is headed by male. When considering the distribution of the sample by age, 19 per cent of the sample is below age 15. A 17 per cent of the sample falls into the category of 65 and above and the majority of 64 per cent is the economically active proportion of population in this village. Furthermore, the most common mean of livelihood in the village is gem mining and it accounts for 19 per cent of 181 employed people in the village. In addition to that, 18 per cent of employed people are working as cultivation workers and laborers respectively. Moreover, 8 per cent is working in the garment sector while 5 percent is working in tea estates.

However, the sample property analysis indicates that the means of livelihoods are quite gendered in this village. It is evident from the fact that some occupations such as gem mining, cultivation and laborers are predominantly undertaken by male and the remuneration remains quite high. On the other hand, even in the occupations with higher level of female engagement, the female earnings remain less than that of male. The majority of the female earn income less than Rs. 5000 per month while it is Rs. 5000-Rs.10, 000 for men. A more detailed analysis of gendered income distribution is presented later in this section. Nevertheless, there is no particular gendered distribution in access to education in this village. In fact the female access to higher levels of education (GCE A/L and above) is even greater than that of male.

**Figure 2:**

Individual and Household income distribution by Gender

Levene's test <sup>a</sup>		<i>t</i> -test for Equality of Means				
<i>F</i>	Sig.	<i>t</i>	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference
<b>Panel A: Individual income (2004) Female (29) Male (124)</b>						
1.385	0.241	2.600	153	0.010	1340	515
<b>Panel B: Individual income (2010) Female (40) Male (142)</b>						
2.007	0.158	3.376	180	0.001	3083	913
<b>Panel C: Household income (2004) Female</b>						
2.386	0.125	-1.159	108	0.249	-1718	1483
<b>Panel D: (2010)Household income (2010) Female (40) Male (142)</b>						
1.079	0.301	0.927	108	0.356	2409	2278

Note: <sup>a</sup> The Levene's test for equality of variance. The equality of means test reported is performed with or without the assumption of equality of variance depending on the outcome of the Levene's test.

Figure 2 is an illustration of the gender differences in the income found in the sample that we look into here. The income differences of both the periods i.e. in 2004 and 2010 are looked at from an individual angle as well as from a household angle. In Panel A, out of the 153 employed people in 2004, who are the subject of the former angle, are divided as 124 males and 29 females. The mean income of female who are employed is Rs. 3,126 (=Rs. 7,859-Rs. 1048) is less than that of males; Rs. 4,556 (=Rs. 18,340-Rs. 1466). However, with the involvement of the Gemidiriya project, there has been an improvement in the number of people who are employed as well as the mean income of both female and male and during the last 6 years. The number of employed have increased up to 182 and 40 out of that are females and 142 are males in the Panel B. Nevertheless, even after the project the mean income difference of females and males remain unchanged irrespective of the overall improvement in the mean income across genders. Mean income of female in 2010 is Rs. 6,875 (=Rs. 18,000-Rs. 1,400) compared to Rs. 9,958(=Rs. 35,000-Rs. 5,301) of mean male income.

Independent sample t test was conducted to examine whether the mean income of female is significantly different from that of male. These results suggest that the hypothesis that the means of these two groups are equal can be rejected at the 5 percent significance level both in 2004 ( $t(153)=2.600, p=0.010$  with the Levene's test for equality of variance being  $F=1.385, p=0.241$ ) and 2010 ( $t(180)=3.376, p=0.001$  with the Levene's test for equality of variance being  $F=2.007, p=0.158$ ). This further underpins the above explanation of the difference of mean income across genders in 2004 and 2010.

The main reason for improvement in mean income of both genders is that most informal sector workers have diversified their livelihood strategies in to two or more livelihoods options after the project intervention mostly through increased access to loans. In addition to that, some individuals who were not employed at the time of the baseline survey in 2004 have also started engage in some form of livelihood strategy contributing higher level of household and individual income.

However, in contrast to the above, the mean income of female headed households in 2004 (Rs. 12,558) exceeds that of male (Rs. 10,839) yet, it is not significantly different from each other according to the independent sample t test results where we cannot reject the hypothesis that the two means are equal. (Panel C of the figure 2). However, in year 2010 female headed household mean income (Rs. 16,110) is less than that of male (Rs. 18,519) and the Panel D (2010) section shows that even in 2010, we cannot reject the hypothesis that two means are equal and hence, there is no statistically significant difference between income and the gender of the head of the household. However, since the household income comprises of the government grants<sup>4</sup> for poor households other than the individually earned income and also due to the effect of the numbers of household members, the individual level income disparity does not appear in the household level.

As mentioned in the section 2, establishment of VSCOs is another major element of the livelihood component of the project and it has invariably influenced the savings behavior and the access to loans of the poverty driven community in this village.

The evolution of the savings behavior of the individuals over the six years period is shown in the Figure 3.

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<sup>4</sup> Samurdhi programme is a grant scheme operated by the government to provide a monthly grant for poor households.

**Figure 3**

Savings behavior of the individuals

		<b>Number of individuals saved</b>	<b>Minimum number of years saved</b>	<b>Maximum number of years saved</b>	<b>Median number of years saved</b>	<b>Std. Deviation</b>
<b>overall</b>	<b>2004*</b>	19	6	20	10.00	4.549
	<b>2010**</b>	58	2	20	4.00	4.943
<b>Female</b>	<b>2004*</b>	5	6	16	10.00	4.604
	<b>2010**</b>	22	2	16	4.00	3.915
<b>Male</b>	<b>2004*</b>	14	8	20	12.50	4.58
	<b>2010**</b>	35	3	20	5.00	5.35

The descriptive statistics presented in the Figure 3 shows that the overall number of individuals who are saving has increased from 19 to 58 over the period reflecting a 67 per cent increase. However, the maximum number of years saved being 20, it suggests that, there are individuals who have been saving for past 20 years. An in depth examination of the individuals who have had savings for significant period before the project reveals that almost all of them are engaged in formal sector employment which gives offers them a secured form of monthly income than informal sector workers. Furthermore, their income level is well above the informal sector workers.

Since there is a mandatory to have a savings account with VSCO in order for individuals to eligible for VSCO loans, the number of individuals who saved has increased considerably over the six years period. Furthermore, the VSCO management committee is entirely handled by female and hence it provides a more conducive environment for female to engage in more savings. This improvement is quite evident from the differences in the numbers of female individuals who are saving in 2004 and 2010. In 2004, there were only 5 females who had savings and it has increase up to 22 in year 2010 showing a 77 percent improvement. This is even remarkable when compared to only 60 per cent increase in male individuals who save. Furthermore, this is even clearer when looking at the Chi-Squared test results between Gender and the savings behavior in both periods given in the figure 4 The Chi test results for saving behavior in 2004 (*chi square value* (1) =4.548, *p*=0.033) suggest

that there is a statistically significant relationship with gender and savings behavior. However, the 2010 results (*chi square value* (1) =4.548, *p*=0.058) indicates that there is no statistically significant relationship between the gender and savings any more. The improved savings of female with the Gemidiriya assistant has had a remarkable impact on reducing the gender disparity in savings behavior in the village. Nevertheless, it is also noted that irrespective of the improved savings during the last 6 years period the level of savings remains very low which in turn has its own negative implications.

**Figure 4**  
Savings Behavior by Gender in 2004 and 2010

<b>Savings Behavior (2004)</b>				
		<b>No</b>	<b>Yes</b>	<b>Total</b>
<b>Gender</b>	<b>Male</b>	169	14	183
	<b>Female</b>	179	5	184
<b>Total</b>		348	19	367
<b>Pearson Chi-Square</b>	<b>Value</b>	<b>Df</b>	<b>Asymp. Sig. (2 sided)</b>	
	4.548	1	0.033	
<b>Savings Behavior (2010)</b>				
<b>Gender</b>	<b>Male</b>	148	35	183
	<b>Female</b>	162	22	184
<b>Total</b>	<b>Value</b>	<b>Df</b>	<b>Asymp. Sig. (2 sided)</b>	
<b>Pearson Chi-Square</b>	4.548	1	0.058	

Provision of timely loans for reasonable terms is another imperative move of VSCOs. As mentioned in the section 2 one of the major distinctions of VSCO loans is that it is tailored to the complex needs of the users since the rules and regulations are decided by the users themselves. This greater flexibility followed by the high level of autonomy provides a better opportunity to poverty driven people in the village to get over from the exploitation of money lenders (Munshi, Ritchie and Nair 2007). The attractiveness of Gemidiriya loans is clearly shown in the Figure 5 below.

**Figure 5**

Access to Loans by Gender in 2004 and 2010

		<b>Total Number people have access to loans</b>	<b>Financial institutions</b>	<b>Individual Money Lenders</b>	<b>Samurdhi<sup>5</sup></b>	<b>Gemidiriya (VSCO)</b>
<b>overall</b>	<b>2004*</b>	25	9	3	13	-
	<b>2010**</b>	51	10	2	12	27
<b>Female</b>	<b>2004*</b>	7	1	-	6	-
	<b>2010**</b>	23	2	0	6	15
<b>Male</b>	<b>2004*</b>	18	8	3	7	
	<b>2010**</b>	28	8	2	6	12

When considering the overall access to loans in 2004 it was as low as 25 individuals and Samurdhi loans was the most popular form of loans with 13 individuals. However, with the establishment of VSCOs, in 2010, the number of individuals who have access to loans has increased up to 51 reflecting a 51 per cent improvement while the most popular source of loans is moved from Samurdhi loans to Gemidiriya VSCO loans. It comprises of 27 individuals out of the 51 current loan applicants. This overall improvement is particularly occurred as a consequence of improved female loan applicants. The female loan applicants have increased from 7 to 23 during the project period showing about 70 per cent increase where majority of 15 out of the 23 applicants are Gemidiriya loan applicants. Although the improvement is not dramatic as female, the number of male loan applicants has also increased by 36 per cent during the period.

Apart from the above mentioned economic aspect of the gendered impact, the project also demonstrates gendered impact in the social sphere in the village level. The Figure 6 shows the percentage of female who held leadership positions in various committees created by the Gemidiriya project. In depth interviews with females who are bearing managerial positions in the Gemidiriya committees mentioned in the table below

<sup>5</sup> Samurdhi micro credit scheme is operated by the government under Samurdhi programme

revealed that before the project started operating in 2004 there were no any kind of these committees functioning in the village and hence the social interactions and leadership opportunities were quite low for female. Furthermore, in that time not only women were largely confined to household activities but also there was hardly any acknowledgement for their voices in the village level common activities. However, with the creation of these committees by the project, women eventually got an opportunity for social interactions and held leadership position in the village activities.

**Figure 6**

Representation of women in Decision-Making Positions of Village Organizations

<b>Representation of women in Decision-Making Positions of Village Organizations (Percentage)</b>		
Village Organization Officials	<b>2007</b>	<b>2010</b>
Board of Director	56	66
Finance Committee	60	60
Procurement Committee	60	60
Social Audit Committee	60	80
Village Savings and Credit Committee (VSCO)	100	100

Source: Author's calculations using the district information in the Gemidiriya project web site

During the project midterm review in 2007, the village organization board of directors comprised with 56 per cent of women while 60 per cent of managerial positions in finance committee, procurement committee and social audit committee hold by female. In addition to that, VSCO committee was completely managed my female. These statistics show that the project has been able to achieve its target on improving female participation in village development activities comfortably. Moreover, this trend has been quite consistent over the period since in 2010, female representation in board of directors has even increased to 66 per cent and social audit committee female representation has increased to 80 per cent.

When considering the education attainment, the six years time period we have used for the basis of comparison in this study is not adequate to discuss about any significant impact of the project on the educational attainment of the individuals. Furthermore, project also does not have any component on increasing formal education attainment of the children in this village. However, according to the information provided by the villagers in general there is no any socially build barriers

to female education in this village and also the statistical analysis between gender and education attainment also does not show any statistically significant relationship between two variables. However, the project has a quite direct impact on professional training programmes and other skill development achievements of the female and youth which is expected to have an influence of human capital ownership of them through its skill development sub-component.

## **5. *The West Mudunkotuwa narratives***

This section, using a panel of case studies, discusses livelihoods of some of the households in our sample. This approach enables us to identify some of the relations we formalize later. Also the various hypotheses tested in this paper were mooted and developed using the case studies. The case studies are also important to emphasize the human tragedy behind the numbers (statistics) we have compiled. In what follows we randomly select a sample of four households with two female headed and two male headed households. The two male headed households and one female headed household demonstrate success stories under the project assistant while one female headed household explains the external factors which prevented them from gaining the advantages provided by the project.

Our first case study, the 66<sup>th</sup> household in our sample is a female headed household and currently she (68 years) is the only member in the household. Her husband passed away before 12 years and her two daughters got married in 2007 and 2000. Her husband used to be a laborer and she was not economically active at the time he passed away. She had been suffering from a severe poverty condition with her two daughters for several years after the death of the husband. However, when Gemidiriya started operating in the village, her family was categorized as a severely vulnerable household and was granted with Rs. 7000 as a start-up capital for a home based income earning activity. She had started a small grocery and also she started selling some home grown vegetables in the grocery with the help of her two daughters. Furthermore, since it was seen quite successful, she applied for Rs. 5000 worth loan from VSCO and expanded the home grown cultivation and the grocery further. Apart from that she is also having Rs. 1,500 of compulsory savings and another Rs.1, 000 as a general savings in VSCOs and she has started saving only 3 years ago. She further

stated that the Gemidiriya assistant was not only helpful to support their economic condition but also she could get her daughters married which she might have faced difficulties otherwise due to her economic vulnerability. In addition to that she said of not for the income from the grocery, she might not be able to finance her medical expenses. She is suffering from a continuous pain in her back bone.

The second case study, the 74<sup>th</sup> household in the sample is a male headed household. The household consists of father (aged 55 years), mother (49 years), and daughter (27 years). Father is mostly engaged in agriculture particularly tea and paddy. The income generated through tea cultivation is the main mode of income while paddy cultivation is entirely for household consumption. The daughter had studied up to grade 11 and then has started working in a private firm as an office administration supporter. According to her, this was basically a low paid unskilled job. Later on she had enrolled in a computer course and the course fee was financed by a Gemidiriya skill development loan. Apart from that she also had participated in the computer learning programme conducted by the Gemidiriya project which is operating under skill development sub-component. The increased computer literacy through those two means has enhanced this 27 years old girl to get promoted in the office to data entry operator with a significant salary improvement. She further explained that she is planning to apply for another loan and continue the 2<sup>nd</sup> stage of the computer course in near future. In addition to that, she is the secretary of the Gemidiriya village finances committee. She explained how the social participation of the female has increased at present. She stated that most of the female especially middle aged female who are married and have kids were largely confined to household activities and rarely gone out and interacted with the people and this is basically not because they lacked capacity for social participation but lacked opportunity and family support to do so. Besides, at present, their husbands encourage them to go and participate in Gemidiriya project activities because then it is easier for them to obtain loans when necessary and also if they are closely engaged with VSCO activities they can get extensions for loan repayments easily. According to her, women in this village started getting high level of acceptance within the household itself with the arrival of Gemidiriya and increased female engagement with the project activities.

107<sup>th</sup> household in the sample is our third case study. There are 3 members in the household namely father (49 years) mother (39 years) and son (13 years). Even though the head of the household is a male in this household, he is now unable to support the family since he is suffering from nerve problems and kidney failure from past 4 years. However, before the Gemidiriya project comes into operation they were engaging in various home based agricultural activities in a very irregular manner and hence the household income was very low. When the Gemidiriya is introduced to the village, they have participated in a home based tea cultivation training programme conducted by the project and then they have bought tea plants on credit from a friend and started a small tea plantation. Later on they have obtained a Rs. 10,000 loan from VSCO and repaid the tea plants credit and have bought some more tea plants to expand their plantation. They had repaid that loan within one year and then have applied for another Rs. 20,000 loan for further expansion and to buy fertilizers for existing plants. For the last four years period, the 39 years female is the person who manages the plantation completely from cultivation and fertilizing to plucking and taking them to the collecting point. She explained it is a fortune that Gemidiriya came into operation in the village and they started tea cultivation when her husband fallen ill. She further explained that even it is very tiresome to do cultivation work, household work and taking care of the child all alone yet, since they have more money in hand and easy access to loans with lower interest rate, compared to previous years she does not feel very helpless particularly in front of her husband's illness. However, they still do not have reflected an improvement in savings other than the compulsory savings required to apply for loans since the expenditure on medicine is significantly high and it is their 2<sup>nd</sup> largest household expenditure.

The 86<sup>th</sup> household of our sample is a female headed household with 5 members including the head of the household (40 years), mother in law (78 years) son (10 years) daughter (8 years). This household has had a better living standard before 6 years period when her husband was engaging in cultivation with the support of her and her mother in law. However, her husband passed away 5 years ago and she had to take the entire responsibility of the work. Apart from that, the mother in law is also unable to support the family anymore since she is too old for cultivation work. However, then she requested for a grant from the Gemidiriya project to cultivate peanuts since it does not require massive effort during the cultivation and harvesting

seasons compared to other cultivations in the area. In addition to that, she had started to packet peanuts and selling them to nearby shops. However, when she started doing this as a proper business, she had required to obtain a registration number for her products particularly if she wants to sell them in the shops in the nearby town. However, during the process of registration, the PHI had disagrees to pass an approval certificate for her raising the issue of the condition of the house is not up to the standards for food processing. Therefore, she had to stop doing the business and she further stated that it's not profitable to grow peanuts and sell it to buyers from the village in stocks. At present she works in a tea estate for daily payment and she mentioned that the medicine of aged mother in law is very expensive. She however mentioned that the education of the children is still not a burden to her since they attend to a school in walking distance. She regretted the fact that the PHI disagreed to pass the approval and she stated that if not for that incident she would have extended her business to sell some other homemade sweets as well.

## **6. Concluding Remarks**

Referring back Islam and Haque (2007) and Kelker (2005)' s view on lower level of effective operational value in gender empowerment efforts in favor of women in South Asian countries, our work also provides mixed results of the effectiveness of the gendered impact of the rural livelihood development that we have taken into consideration in this study. It is quite evident that the income of the households has significantly increased due to greater longitudinal diversification of livelihoods strengthened by access to loans and savings of the people. This directly increases the ownership of financial assets of the community in the village. The case studies in the section five also provide some detail explanation of their increased access to financial assets. Apart from that, the case studies also provide a better explanation on how the increased financial capital opened up the way in possessing more human capital to enhance better livelihoods for both men and women. Moreover, there has also been a significant improvement in female participation and leadership in the village activities particularly through well specified targets. This in turn increases their ownership of social capital.

Nevertheless, the female are still in a disadvantageous position in the context of economic sphere particularly since the livelihoods strategies, and therefore the incomes, remain gendered at the end of the first phase of the project. Furthermore, we observe that under its concept of gender empowering, the project targets more on increasing female ownership of social assets rather than financial and human capital ownership. The persistence in medium term gender disparity in livelihoods leads us to question the sustainability of these gendered initiatives since although there is no clear cut view that ownership of which assets is more important in deciding the position of female in the society, it is generally accepted that increased ownership of financial assets is having greater possibility in improving women's bargaining and negotiation power in the society.

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