Empowering Rural Women Entrepreneurs via Microcredit

Authors : Salwana Hassan, Rashidah Abdul Rahman

Abstract : Poverty in rural Malaysia remains unresolved and contribute 7.8% to the whole poverty figure in Malaysia. Among the rural folks, 50% is women. Thus, women, as the significant human capital to fight the long lost battle of poverty , is indispensable. This will also serve as an equal opportunity for women to play active and positive roles to develop the society that has been the tasks for men all this while. More importantly rural women folks have the potential to offer better quality of life for their family by providing extra income and monetary support whenever their husbands are not able to work. The reality in this, however, cannot be solved easily as there are many factors that stand in the way and prevent the resolutions to be observed.In this regard, this paper describes a model that has been used to resolve such issues in rural Malaysia. The model utilizes a synergetic effort between an academic institution, an NGO that govern the rural women folks and a private trading company that sell the finished product. The project was conducted in rural area of Selangor and has been in operations since the end of 2013. It shows positive outcome and could be used in other rural areas of Malaysia. The project captures the influence of the NGO programs upon rural women entrepreneurship and how a private trading company can facilitate to help develop a community. As a result the project reveals that self-income generating activities by entrepreneurship are the important contributing factor to empowering rural women folks in Malaysia.