

Payment Facilities, Home Businesses and Poverty Eradication

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Abstract Poverty eradication, reduction of vulnerability and empowerment of women are known from the effects of financial service delivery to vulnerable people, especially poor women. Theoretically, these investment services enable target groups to micro-businesses, to increase human capital and promotion of community capabilities to provide increased household welfare and the ability of vulnerable people to cope with economic losses hence improving the design of mechanisms to deliver financial services to the poor and vulnerable are the central focus of poverty reduction programs costs. One of the most successful microfinance mechanisms to be considered in this field and in recent years, a special place among programs has to reduce poverty and improve livelihoods in many countries. In Iran, Payment facilities plans households is ongoing to women-headed that are discussed in this article.

Keywords: Facility, women heads of households, poverty, empowerment

Introduction

Home business as the way appropriate to the circumstances of individual and social life, can be improved their social and economic status of women. So most home business believes that working at home can be improving their quality of life. (Fiesk et al., 1995 (

Home businesses can be considered satisfactory job for the women's employment in small and medium home businesses but cannot enter the market due to the deteriorating employment. Home businesses suitable jobs options for women and a tool are to achieve sustainable development. (Gilmore et al .2009).thus it will be discussed to payment facilities to women heads of households in this paper.

Theory of provides facility to women heads of households

Despite the growing category of micro-finance and facilities, there are disagreements about the effectiveness of these types of programs. According to a large number of studies on the effectiveness of microfinance programs in developing countries are examined, cause to Improving the livelihoods of households participating in the program mentioned and increased income, assets and consumption and microfinance

programs have a positive effect to improve the status of women and children as well as women's empowerment. However, some studies have rejected the effectiveness of programs to increase the income, consumption and assets customer households. (Mousavi & Alaeddini, 2010.(Some studies programs have shown that the negative effects of increasing working hours for women on family programs. Coleman study microfinance programs in Thailand have shown deterioration male customers in terms of income, assets, savings, debt and working hours. Some studies have suggested that there has been the effects of micro-finance programs, increase in violence against women; Different results may be effect psychological evaluations, concept or method measure them. Pitt and Khandker the study of 1800 households in Bangladesh have shown that participation in the program has increased household consumption. . But Murduk (1998) using the same data concluded that participants had no plans to increase household consumption. He is considered difference results of your evaluation and study of peat and Khandker to be the result of methodological differences. Apart from psychological issues, environmental conditions prevailing impact on its

effectiveness in implementation of microfinance, the nature of poverty in a region is one of the main reasons that can lead to success or failure of microfinance in poverty reduction programs. For example, if poverty is the result of low productivity and production, microfinance will not effect, but increasing productivity through training and investment, reduce poverty. Government policies also have a great impact on the effectiveness of microfinance programs.

Specify interest rate ceiling, expansion and sustainability of these programs is difficult. Many of the disagreements are due to the nature of microfinance. The most important mechanism of these programs, micro-financing is vulnerable people. The most important mechanism of these programs is, granting small loans to vulnerable people .

The Home businesses are created through these programs, often limited to family business low output, part-time and temporary thus investment in them is high probability of failure. Also, it should be noted that microfinance, based on social guarantees. Social pressure, borrowers will be forced in any way to repay their loans. Sometimes that customers program have been borrowed to repay loans from unofficial sources, have reduced their consumption, or even sold parts of their lives. Thus, in some cases, programs have led to a worsening of woman headed households (Simanowitz, 2010.)

How to control the consumption loans and facilities Home businesses

Learn how to handle the consumption loans and facilities will also reduce the effectiveness of microfinance programs in the empowerment of women, or even increasing violence against women affects. Goetz and Gupta (1994), three scenarios have to explain how to a negative impact on the empowerment of women .

First, men could be liable for the loan,

assume responsibility for repayment of the loan. Although this situation is satisfactory in appearance, but this is opposed to the development goals of the program and does not lead to women's empowerment.

In the second situation, men have used the loan for purposes, but are not able to repay it. Thus, women are forced by saving and using their savings, to repay their loans. In this situation, they will be responsible for repayment of the loan, but have no control over how it is consumption.

The third situation is when men not only avoid repayment of loans, but also behave violence with women.

In general, theoretically facilities home business is created through the opportunity to invest in physical assets, financial, and humanities, increasing income and assets to provide participants and thus improve the livelihoods of households.

Since income, assets, and a variety of sources of income, encourages participants in difficult positions also lead to reduce their vulnerability .

Micro-finance could increase the assets and capabilities of women, the opportunity to participate and make decisions on matters of life and provide influence on the environment. That would be empowerment. But as has been said, in practice, microfinance programs are not effective in all conditions, so that even can was created undesirable results. Therefore, their program is effectiveness from country to country and from one application to another. Such a difference, evaluate the effectiveness of microfinance programs as necessary. The main aim of studies to evaluate the effectiveness, identify the effects of micro-finance programs at various levels to assess the program's success in achieving its goals.

For example, at the micro level studies to answer the questions that are evaluating the effectiveness of microfinance programs, what are results for your

attendees, to reduce poverty and vulnerability and the empowerment of women?

The studies mentioned above, by identifying and explaining the process of change, able to correction their practices and provides improve application performance.

In the next section attempts to evaluate the effectiveness of programs implemented in Iran, in addition to identify the effects of activities in the context of social and economic benefits and shortcomings of the study (Barnes, 2009). The concept of

Credit facilities and its characteristics

In microfinance institutions, microfinance services checked through both official and semi-official institutions in terms of size business. Although microfinance institutions, large enterprises are financial services and provide microcredit for people covered by the mainly poor and low income. While this organization and the microfinance institutions or to participate in this kind of cooperation necessary played a role for agricultural development projects. (Everedilek, 2002.) In this mode of financing institutions relevant to credit small scale and are active in a sustainable manner, so that micro-finance programs, in excess of the supply and distribution of small loans, there are accepting deposits and small deposits .

In some programs microfinance, insurance to minimize the risk in life is poor and low-income people. For example, farming activities at the village level is not enough for the family financially and activities such as animal husbandry, handicrafts also carried out for income. Thus, microfinance programs must be designed in such a way to cover these types of activities.

Microfinance is a practical way to design and implement, they can provide for their administrative and operational costs without the assistance of external subsidies

and aid. If necessary, they can also make use of external aid, but this aid must be temporary and transient. It means that organizations that can reach profitability and the accumulation of profits a specified period, and create new financial profit. one of the factors that caused the profitability of financial institutions, interest rates and loan repayment rates and operating costs. These institutions received interest rate, the interest rate is generally higher than that of other institutions and commercial banks .

But borrowers are satisfied of this type of loan because they do not receive better condition credits and loans from other institutions. On the other hand, the interest rate should be adjusted so that in addition to covering the cost of loans and repayment is reasonable of non-profit financial institution (Hassan Zadeh et al., 2006.)

The effects of micro-credits and facilities to poverty alleviation and income inequalities

Thus, microfinance is the manner of funding that has it as a tool for reducing poverty and regional inequality. In this way, poor people are funded so that they can increase their small income and financial security to more provide for their families. Social justice is by reducing inequalities and balanced distribution of the income. Reducing disparities and fair distribution of income will easier through appropriate mechanisms the economic and social level.

Towards a more balanced distribution of income, the same people who will not benefit and achieve for social justice has become possible long hiatus. If rural areas and low-income people and the poor Sufficient benefit in the process can be claimed that social justice is established. The result of this research, for specific population groups (low-income groups and the poor) that governments have

emphasized to microcredit programs these programs are aimed at economic recovery, reducing unemployment and creating jobs for self-employment and entrepreneurship, elimination of social inequalities and poverty reduction in rural and urban areas and increasing women's participation in the labor market have been adopted in many countries and microfinance institutions were created for this purpose (Gomez and Senator; 2013). The amount of small loans can cause the appearance of small, new activities by rural women in the village or in the city by the citizen. And in this is way to the creation of jobs facilities for the recipient, the economic status of the household investment and change the people's savings. . The next point is target groups of credits, that it's included individuals and families in poor and rural women. (Hassan Zadeh et al., 2006.)

Conclusion

Having trouble getting loans, bail and repayment of the loan granted, it's suggested that Community two or more people. Thus, it should be said that microfinance on the one hand, social and financial services provided that leads to the strengthening of social capital and the other hand, using appropriate methods and makes strong monitoring its effectiveness in reducing poverty and increasing social exclusion. Thus providing micro-credit to rural workers and farmers can lead to poverty alleviation and overall development strategy.

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