

## **Joan Lara international Travel award Recipient during 2006-2007**

My name is Luke Juran and I am a MA student in the Department of International Studies and a PhD student in the Department of Geography at the University of Iowa. I wish to extend my heartfelt thanks for the funding and support that was endowed to me in the winter of 2007 when I participated in a course to observe microfinance in Tamilnadu, India. The funding not only supported the logistical costs of the trip, but also assisted in paying course fees so that I could earn credit for the work I produced. Because of your funding, I was able to engage in conversations with microfinance borrowers in rural, suburban, and urban Tamilnadu and gain a better understanding of the issues facing the poor. The experiences I reaped via the microfinance trip indelibly changed my life and opened my eyes to the ongoing issues of gender, development, human rights, and health. In fact, the experience weighed so heavily on me that I decided to pursue microfinance in Tamilnadu as my MA thesis topic and I returned to Tamilnadu in order to conduct additional research. I ended up gathering 40 case studies and conducting a mass questionnaire of 1,087 microfinance borrowers, all of which was made possible because of the doors that were opened during the prior trip that was funded by you. I have now completed my MA thesis, in which I constructively criticized the topics of women's empowerment, agriculture, and nutrition, food security, and health and healthcare. Although I have now moved on to my PhD, the world of microfinance remains close to my heart and mind, and my MA thesis and the accompanying experiences and knowledge gained would not have been attainable without your generous support.

I have attached a case study with photos to give you a glimpse of the data I was able to gather due to your generosity.

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**Name: Renuka**

**Age: 44**

**Married: one daughter (30) and three sons (28, 26, 22)**

**Education: 8<sup>th</sup> grade**

**Business: making shoes**

**She has taken four loans: \$71, \$166, and two loans for \$714**

Renuka and her employees stitch the upper portion of shoes and sell them to a company. The company purchases soles from other producers. The company then combines the two pieces to create a finished product and exports them to Europe. Renuka had always been making shoes, but with a series of microfinance loans she was able to turn a business for survival into a profitable business with five employees.



Finished shoes from Renuka's microfinance business unit.

*“Before the loans I was making shoes but it was hard to operate the business because it was difficult to purchase materials. When I sold the shoes to the company they gave me a check, but the check wouldn’t come until two or three days later. Meanwhile, I couldn’t make any more shoes because I couldn’t purchase more materials until the check arrived. There was always a delay in the business because of this. I used to earn \$71 per month before the loans.”*

*“Because of the loans I am able to purchase materials when they are needed and I was able to hire workers to help me make the shoes. I have money to pay my workers on the spot. This makes the workers very happy because they need the money too. With the first loan I bought materials and expanded my production. With the next loans I hired workers and I now have five employees; we all make shoes together. I pay each worker \$1.90 per pair of shoes they produce. I get paid \$2.38 per pair when I sell them to the shoe company. Out of that I give my employee \$1.90, so I earn 48 cents per pair. I am able to pay my workers for their production at the end of each day. I now make between \$238-285 per month.”*



Renuka in front of her new house, she looks forward to moving in next month.

*“My standard of living has improved. I used to have nominal food two times a day. Now I get milk, eggs, and sometimes meat, and I always eat three times a day. I regularly visit the doctor for checkups and I am in the process of building a bigger house right now. I will move there in a couple months and then I will rent out my current house. I wasn’t that respected before, but now I have five workers and people look up to me as a businesswoman. I am also responsible for helping friends and other women receive microfinance loans and they really appreciate that.”*