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FINANCIAL INCLUSION, MICRO ENTERPRISES AND HOUSEHOLD DEVELOPMENT: A THEORETICAL PERSPECTIVE ON KADAMATH

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ABSTRACT

Policy makers around the world have realized the importance of financial inclusion, and have been framing policies towards it. The Government of India has also been implementing a number of co-operative, legal initiatives and action plan through banks, micro finance institutions, non-government organizations and community development organization etc. towards achieving the greater financial inclusion within the time frame. In this context, an attempt has been made in this paper to analyse the causes and theoretical issues in the process of financial inclusion such as agency problem, adverse selection, moral hazards etc, and rediscovers the inter relationship among the financial inclusion micro enterprises and household development with respect to an unique and isolated island geographic economy. Further it tries to derive the lessons that is more suitable to achieve a state of self-sufficient island Economy.

KEY WORDS: Financial Inclusion, Micro Enterprises, Household Development, Kadmath Development, Island Economy,