ECONOMIC EMPOWERMENT OF DISADVANTAGED WOMEN THROUGH MICROCREDIT: A CASE STUDY OF THESAWALAMAI GOVERNED WOMEN-HEADED HOUSEHOLDS IN POST-ARMED CONFLICT NORTHERN PROVINCE OF SRI LANKA

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Microfinance is a tool that helps the poor who cannot resort to formal banking services to get credit facilities to improve their income-generating activities. Women are generally targeted by microfinance institutions (MFIs) as they often engage in income-generating activities for their household. In a post-armed conflict context, where Women-Headed Household (WHH) has become a standard feature as war often leaves more women alive than men, microcredit plays a vital role in re-building the life of the people and the economy of a nation. Yet, as far as the Sri Lankan context is concerned, despite the enactment of Microfinance Act No. 6 of 2016.This informal banking service continues to have adverse effects on the livelihood of women. This is due to the policy and practice of MFIs that focus more on the economic outcome rather than the social impact. In this context, this study focuses explicitly on *Thesawalamai* law as it is gender-biased. Since, women are required to get the written consent of their husbands to dispose their immovable property, and they do not have the right to access the credit facilities from banks without their husbands' signature. The problem identified by this paper is that the gender discriminatory provisions of *Thesawalamai* in controlling land and other economic resources, including credit from state banks, have severely impacted the economic empowerment of many women. The hypothesis is framed to test whether the denial of their rights to land and access credit facilities from banks compel them to obtain microcredit facilities for their survival. This paper draws upon a third world feminist approach to correlate the deprivation of land rights with access to microcredit and identifies the means to enhance sustainable economic empowerment of the WHH in the Northern Province of Sri Lanka. Based on a desk-based analysis and a semi-structured questionnaire issued to purposively selected 30 respondents, the hypothesis is positively tested by a descriptive study. This research recommends a strong legal regime to engender the land rights in the *Thesawalamai* law and to regulate unlicensed MFIs which negatively impact women empowerment. Since the armed conflict has transformed the role of women to head their families, this paper underscores the necessity of providing more awareness on the legal accounting and risk management aspects of obtaining credit from MFIs for sustainable economic empowerment of women.

***Keywords*:** Microcredit, Right to land, Economic empowerment, Women Headed Households, Post-armed conflict