

# Micro-entrepreneurship Debt Level and Access to Credit: Short-Term Impacts of a Financial Literacy Program

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© 2017, European Association of Development Research and Training Institutes (EADI). Using a randomized control trial, we evaluated the effect of a financial literacy program on the level of debt and on formal access to credit in Chile. We use a sample of beneficiaries of a publicly run micro-entrepreneurship program. We evaluated the program using administrative data with information on the debt level, interest rates, and new loans provided by the formal sector. The program tends to decreased debt level in the short run while increasing the probability of having formal debt. The program had effects in parts of the country where the take-up was higher and the implementation was smoother.