

Book Review

Microcredit and Women's Empowerment: A Case Study of Bangladesh

by Aminul Faraizi, Taskanur Rahman and Jim McAllister

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The post-colonial development orthodoxy was constituted by the peculiar vision of an interdependent world wherein the impoverished countries are aided by the developed West to become 'normal' market economies with the help of foreign aid and investment, knowledge and technology transfer, interventions in the health and education sectors, and economic planning (Cooper and Packard, 1997). This orthodoxy, popularized through the reports and strategy documents of the Western and multilateral agencies, cast the template of a 'modern', 'developmental' state characterized by universalism, functional specificity, and achievement orientation (as against particularism, diffuseness, and ascription in 'traditional', underdeveloped societies) (Berberoglu, 1992). The spectre of developmentalism continued to haunt the field of development thinking and action in the third world throughout the 1960s and 1970s, shaping the contours of debates on poverty and development.

The book under review by Faraizi, Rahman, and McAllister locates the much discussed Bangladeshi microcredit experiment within the logic of developmentalism and offers a post-modern critique of it focusing mainly on the empowerment of the poor women borrowers of the two leading NGOs (non-government organisations) in the country: Grameen Bank (GB) and BRAC. The authors argue that in all the mainstream development interventions introduced in the country since the 1950s Bangladeshis have been constructed as 'poor' subjects and passive recipients of external support. Microcredit is well contained within such an imagination, which explains why it became 'one of the most regularised aspects' of development programmes implemented in Bangladesh over the years (Karim, 2011). It has been projected as an apparatus of control and surveillance and as representing a series of discourses and practices that constitute the recipients as subjects, characterized by poverty, ignorance, and lack of desire for wealth and entrepreneurship. The behemoths of NGOs such as GB and BRAC have taken the position of expert and knowledgeable external agents whose mission it is to arrest underdevelopment and backwardness with the help of credit and enterprise.

The book focuses its attention specifically on interrogating how microcredit, exemplifying as it does the peculiar developmentalist conceptual apparatus that integrates 'gender' and 'mutual liability' as its major planks, has functioned in

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Bangladesh as a technology for 'disciplining' and 'empowering poor women' towards constituting them as rational, self-reliant, and entrepreneurial individuals. In order to substantiate the theoretical arguments, the authors have used two methods: 1) examining the written material (policy documents, research reports, articles) and training aids (posters, charts, and lectures) produced/used by GB and BRAC to trace evidence of how 'poor', 'poverty', and 'empowerment' are constructed, represented, and communicated; and 2) field interviews and observation of adults in two villages, which has given the analysis some degree of empirical sanctity.

In this review I intend to concentrate on three aspects of the book which I consider to be its major highlights. To begin with, the authors argue that the making and remaking of the images of poor and poverty has been central to the functioning of microcredit in Bangladesh. Not only does such image-making rationalize the intervention of the NGOs into the lives of the subjects, but it also strengthens donors' conviction in the transformative and disciplinary power of microcredit-driven development. Hence the images are so constituted that they suit the typical Western donor sensibility. Newer categories of poor have consistently been invented – labelled variously as ultra-poor, hard-core poor, moderately poor, vulnerable non-poor – by the dominant NGOs. Institutionalized research and development activities provide strategic support to this process as they supply the critical 'scientific tools' and language to dissect the 'reality' of poverty.

Secondly, the authors take issue with the conceptualization of empowerment by the NGOs. This they achieve by unravelling the ideological basis of the 'poverty and empowerment' discourse of the NGOs by analysing the content of public communications by and personal conversations with the founders, and the private views of local staff. Based on this analysis the authors come to the conclusion that both GB and BRAC share a common diagnosis of persistent poverty in Bangladesh. Though the rhetoric is different, they agree on the reasons why poverty persists – lack of entrepreneurial opportunities, dearth of capital, and reluctance of mainstream financial institutions to engage with the poor. There is also agreement on how to tackle poverty and achieve development – by creating entitlements through credit. Both believe in the power of structured and institutionalized training in indoctrinating the staff with their particular vision of development and empowerment. In the specific case of BRAC, committed to 'economically' empowering women, it is pointed out that the NGO does not challenge 'the prevailing patriarchal value system that holds that women are primarily responsible for care-giving of their children and family members' (p.37). The core of the successful microcredit treatment as advocated by BRAC is constituted by credit, training, and technical assistance to start up enterprises where poor women can be productively engaged, at or near their homes. Similarly, GB equates empowerment with increased purchasing power and the nutritional intake of women within families rather than their improved engagement with larger socio-political issues. Discipline and close surveillance of the subjects is integral to the success of both programmes. Interestingly, the views of local-level staff reveal a serious divergence between the ideologues and actual implementers in the interpretation and understanding of the meaning of empowerment and how microcredit helps empower individuals. But 'economism' dominates the discourse and practices of microcredit NGOs in Bangladesh, the authors conclude.

Lastly, based on the data gathered through survey and observation, the authors drive home the important point that reduction in material poverty does not necessarily improve social justice or lessen social inequality. It may in fact act as a strong incentive for women to move away from productive enterprises to indulge in activities such as usurious money lending (something that microcredit identifies as a reason for the continued indebtedness of the poor). Data presented in the book also suggests that improved economic well-being may even lead to the strengthening of patriarchal values as evidenced by the increased use of veils by women as a symbol of their enhanced social status.

Surprisingly, apart from some very rudimentary references, this book does not address a crucial question: whether and how microcredit members engage with local-level politics and governance institutions given that there are enabling state policies that encourage their political participation. The authors refer to the limited sphere of influence of local, self-governing institutions assuming away the possibility that increased women's participation in local politics is of any consequence. According to feminist scholars what is more worrying is the deepening of divisions among women along with their greater representation and participation in local governance. Also there is the danger of co-mingling of women's development agency with their public political agency, which tends to vitiate the empowerment discourse per se (Devika and Thampi, 2012).

It must be mentioned that the book appears to be rather clumsy in parts. Chapter 1, where the research questions and design are spelt out, is particularly disorganized. The final chapter that presents the empirical data and content analysis of publicity and training material is structurally weak and, in parts, quite monotonously repetitive. The fine touch of a skilled editor is grossly missing throughout the volume, which can put off discerning readers.

One cannot but acknowledge that this book forms part of the repertoire of critical discourse on Bangladesh microfinance that is fast expanding with more researchers trying to engage with it from a political economic perspective. It is interesting to note that a host of writings has appeared since 2010, questioning the development philosophy that underlies microfinance and microcredit in Asia, Africa, and Latin America. As for Bangladesh, the analyses by Roy (2010), Karim (2011), and Dyal-Chand (2011), particularly, have contributed to a renewed, critical appraisal of the claims of microcredit from different disciplinary perspectives. They have collectively crafted a powerful thesis on Bangladeshi microfinance, which at once poses a counter to the Washington Consensus and unquestioningly adopts Western values of development. Faraizi, Rahman, and McAllister further extend the borders of the canvas of such critical enquiry. Importantly, this book attempts to explain how microcredit and its governance cannot be understood without addressing squarely the politics of poverty governance. And it reminds us that enquiries that venture into unravelling the hidden politics of development would require analytical apparatus that is sharper and wider than the standard. This volume is useful reading for all who are in search of such an apparatus.

Tara Nair (tara@gidr.ac.in) is Professor of Economics at the Gujarat Institute of Development Research, India.

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