

# Women at the Center

Grameen Bank Borrowers  
After One Decade



HELEN TODD

PERDAN  
LEADERSHIP  
FOUNDATION  
YAYASAN  
KEPIMPINAN  
PERDAN



Datin Siti,

You have been a strong and determined supporter of MM's efforts to help poor women from the very beginning. So I hope that you will enjoy this account of how ten years of borrowing has worked a transformation in the lives of a similar group of women.

Very warm regards,

Mike Todd.

# Women at the Center

---



---

# Women at the Center

Grameen Bank Borrowers  
After One Decade

---

Helen Todd



WestviewPress

*A Division of HarperCollinsPublishers*

PUSTAKA PERDANA



1 001 399



PERDANA  
LEADERSHIP  
FOUNDATION  
YAYASAN  
KEPIMPINAN  
PERDANA

All rights reserved. Printed in the United States of America. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopy, recording, or any information storage and retrieval system, without permission in writing from the publisher.

Copyright © 1996 by Westview Press, Inc., A Division of HarperCollins Publishers, Inc.

Published in 1996 in the United States of America by Westview Press, Inc., 5500 Central Avenue, Boulder, Colorado 80301-2877, and in the United Kingdom by Westview Press, 12 Hid's Copse Road, Cumnor Hill, Oxford OX2 9JJ

Library of Congress Cataloging-in-Publication Data

Todd, Helen, 1943-

Women at the center : Grameen Bank borrowers after one decade / by Helen Todd.

p. cm.

Includes bibliographical references and index.

ISBN 0-8133-9000-1

1 Grameen Bank. 2 Bank loans—Bangladesh. 3. Rural women Bangladesh 4 Poor women Bangladesh I. Title

HG3290 6.A8G7385 1996

332 1L'095492—dc20

96-12161  
CIP

The paper used in this publication meets the requirements of the American National Standard for Permanence of Paper for Printed Library Materials Z39.48-1984.

10 9 8 7 6 5 4 3 2 1



*For David*



PERDANA  
LEADERSHIP  
FOUNDATION  
YAYASAN  
KEPIMPINAN  
PERDANA

# Contents

<i>List of Tables and Figures</i>	<i>xi</i>
<i>Preface</i>	<i>xiii</i>
<i>Acknowledgments</i>	<i>xvii</i>
<b>1 The Bank in the Village</b>	<b>1</b>
Why You Should Read This Book (and Not Just the Conclusion), 6	
“Tell Apa the Truth!” 11	
The Grameen Bank Approach to Rural Poverty, 19	
Two Village Centers, 20	
Notes, 27	
<b>2 What Credit Can Do: Women’s Contribution</b>	<b>29</b>
Two Enterprising Women, 38	
More Than Half, 46	
Notes, 54	
<b>3 Wives and Partners</b>	<b>55</b>
Women in Charge, 59	
Partnerships, 61	
Managing to Succeed, 65	
Slightly Less Than Equal, 67	
Entrepreneurs Without Capital, 72	
Buttering the Networks, 76	
Notes, 78	



<b>4</b>	<b>Taka Talks: Centrality in the Household</b>	<b>79</b>
	No Place of Her Own, 81	
	Pipelines for Credit, 84	
	Centrality, 85	
	Empowerment as a Process, 90	
	<i>A Lokkhi Wife</i> , 98	
	Note, 100	
<b>5</b>	<b>Strategies for Survival</b>	<b>101</b>
	Coping with Crisis: Benign and Destructive Strategies, 107	
	Poor and a Woman, 110	
	Work of Honor; Work of Shame, 115	
	Note, 118	
<b>6</b>	<b>Still Poor: Disaster and Dependency</b>	<b>119</b>
	The Drain of Illness, 124	
	No Safety Net, 126	
	Notes, 127	
<b>7</b>	<b>Women on Their Own</b>	<b>129</b>
	Driven from Her House, 131	
	Making It as a Widow, 135	
	A Frightened Grocer, 138	
	Widows in the Future, 139	
	Too Great a Risk? 145	
	Notes, 148	
<b>8</b>	<b>Group and Center: Solidarity and Self-Interest</b>	<b>149</b>
	Owning the Bank, 153	
	From “Just Credit” to “Credit Plus,” 157	
	Group Myth and Reality, 161	
	Family Comes First, 163	
	Politics in the Center, 167	
	Credit Plus What? 175	
	Termites in the House, 179	
	Notes, 181	

<b>9 Centered on the Children</b>	<b>183</b>
Taller and Fatter, 184	
A Question of Control, 185	
The Health Environment, 190	
Food Entitlements, 196	
Schooling: Changing Outlooks, 198	
The Curse of Dowry, 202	
Notes, 205	
<b>Conclusion</b>	<b>207</b>
Nothing to Lose but His Poverty, 208	
The Break-Down Position, 212	
The Process of Moving out of Poverty, 214	
The Double Day, 216	
The Process of Empowerment, 218	
The Limits of Grameen Bank, 220	
The Strength of the Center, 222	
<b>Epilogue</b>	<b>225</b>
Note, 232	
<i>Appendix 1: Methodology</i>	235
<i>Appendix 2: Children's Growth</i>	238
<i>Appendix 3: The Sixteen Decisions</i>	241
<i>Glossary</i>	243
<i>Bibliography</i>	245
<i>Index</i>	249
<i>About the Book and Author</i>	253

# Tables and Figures

## *Tables*

1.1	Loan Use: Approved and Actual	24
2.1	Female Contribution to Net Household Income	48
5.1	Daily Food Needs of Berek's Family	104
5.2	Daria's Budget During Her Husband's Absence	113
9.1	Implementation of Health Related 16 Decisions	192
A.1	Height and Weight for Age	239

## *Figures*

2.1	Household Poverty Status: Grameen Bank Sample	37
2.2	Household Poverty Status: Control Group Sample	38
2.3	Female Contribution to Net Household Income: Grameen Bank	48
2.4	Female Contribution to Net Household Income: Control Sample	48
2.5	Where GB Women's Income Comes From	51
4.1	Central or Marginal? Influence over Household Decision Making	89
8.1	Source of Borrowing to Pay Interest on General Loan	165
8.2	Distribution of Income Amongst Grameen Bank Sample	170

## *Photographs*

Newly cut wheat drying on the <i>bari</i> floor	3
Kia busy with her fire	13
Banu and Alia in the fields	32
Begum, Grameen Bank borrower	41
Habibah, unchallenged leader of the Bonopur center	57

Norjahan and Nurul, successful mustard oil traders	69
Parveen, a marginal Grameen Bank borrower	83
Daria, powerless to change her life	111
Rina	121
Parul, the struggling widow with three daughters	134
Faruq, close to death. Grameen Bank children.	189
Alia in the pond	233

## Preface

I visited Grameen Bank in 1985 as a journalist, spending two weeks in Rangpur Zone going to the Bank's Centers in various villages and interviewing borrowers. Since then I have closely followed the replication of the Grameen Bank system in Malaysia — so closely I married one of the replicators and lived for two years amongst the paddy fields where Project Ikhtiar began.

In the 15 years I have worked in Malaysia as a journalist I have become increasingly interested in what could be called development journalism, which meant, to me, getting below the surface of the official rhetoric and the glib statistics to find out who gets what from the spending of the development budget. This work brought two things home to me. One was that the planners and administrators always knew exactly what was best for the poor and always blamed the "backwardness" of the poor when something went wrong with their programs. Second, from the viewpoint of the supposed beneficiaries, the processes of "modernizing" the economy are often not benign, particularly to the rural poor and to women, precisely because they have little power to influence the outcomes or to demand the benefits of development.

In the wake of these experiences, I found the Grameen Bank system, as I saw it working in Bangladesh and Malaysia, very attractive. It politely sidesteps the entire development bureaucracy and the rural power structure that has been the real beneficiary of most development programs, and works directly with poor women. Its work is based on a confidence that women know what is best for themselves; all they need is the efficient delivery of user-friendly credit so that they can get on and do it. By putting money in poor women's hands, it begins, at least, to redress their powerlessness.

There is nothing that the Grameen Bank or the Malaysian project can do to force these women to repay their loans. So the fact they do so with such impressive faithfulness means that they are both making enough money to repay and that they see the benefit of keeping this credit window open so that they can get more loans.

So far, so good. But I knew that there were many controversies surrounding the Grameen Bank. And I had my own doubts about what "income generation"

really meant in the lives of poor women. I knew that most borrowers in Bangladesh were using their loans for paddy husking; I had tried to work the heavy wooden *dheki* they used for husking myself. It didn't look much like a weapon of liberation to me. I had been the only woman in a press of men at the weekly *haat* or market — if men sold all the goods their wives produced because women were not allowed in the markets, who got the income that they generated? Did working for income simply increase the burdens on already overworked women and encourage their further exploitation, as some feminists argued?

I knew that the Grameen Bank, like Project Ikhtiar, targeted women for instrumental reasons, at least initially. Women were more faithful with repayment and "better disciplined," which also means easier to discipline. I knew that Grameen Bank was staffed from top to bottom by men. I had seen the women at the center meetings saluting and "Sah"ing. It seemed unlikely that groups like these were about to overturn the patriarchy.

So when David Gibbons, my husband, proposed a one year research project in Bangladesh to test the long-term impact of the Grameen Bank on women borrowers, I was very interested. It was an assignment with two major advantages not usually available to a journalist — time and partnership with a scholar.

David's main concern, from 20 years of research on poverty and six years of replicating the Grameen Bank system through Project Ikhtiar and then Amanah Ikhtiar Malaysia, was with poverty reduction. He wanted to take a systematic and in-depth look at a sample of long-term borrowers in order to research the doubts still so widely expressed by academics about the Grameen Bank. If his study proved that the long-term impact of credit ala Grameen Bank was positive and the operations of both the borrowers and the Bank were sustainable, then it would be possible to generate support for a massive attack on poverty in the rest of Asia through Grameen-type credit programs. This seemed to him to be the one workable chance to liberate large numbers of people from poverty before it reproduced itself manifold into the next generation.

However, we both knew that women are pivotal to the success of Grameen Bank, just as they proved to be pivotal to the very survival of the Grameen replications in other parts of Asia. The day to day processes of how they generate income, what they do with it and how much control they retain over it have been little explored. We were concerned with what it did for them — what benefits the women were getting, not subsumed into the household, but in terms of their own needs, interests and prospects. There has been some work done on how membership of Grameen Bank has affected women's behavior in household decision making and in family planning, but these have been mainly broad statistical surveys which give little in-depth information on the processes or relationships involved.

I have no particular academic qualifications for this task. But I could rely on David to keep the whole project within the bounds of academic respectability, while I used my journalistic skills in the interviewing and the writing. I also had the fanciful idea that being a farmer as well as a journalist in Malaysia and having spent 25 years living in that Islamic environment, I would slip into the Bangladesh village without a ripple of culture shock and avoid the usual Western misperceptions.

I must admit that initially my approach to this assignment was quite lighthearted. I thought it would be an adventure to live in a rural part of Bangladesh for eight months and exercise my mind and pen on a ground's-eye, women's-eye view of the Grameen Bank.

We started work in Tangail, the district where Grameen Bank was refined and institutionalized and where female centers had been in existence for a decade, in January, 1992. By that time I didn't want to be there. Two months earlier, my son Kamal had been killed in Dili, East Timor. He was a second-year university student and an activist on human rights, visiting East Timor to observe a proposed Portuguese fact-finding mission. The Portuguese mission was cancelled and the resulting climate of frustration and tension erupted at a memorial procession which turned into a demonstration for Timorese independence. Indonesian army units shot Kamal and nearly 300 unarmed, young Timorese as they crowded between the high walls of two cemeteries.

David and I moved into a room in the Area Office and initially each took charge of the data collection in one of our two villages. The village of Ratnogram, where I was responsible for initiating and supervising the basic weekly data collection, is full of small beauties. Water; birds; a patchwork quilt flung over a haystack; a blaze of mustard against a dark and ancient mango tree. Each one speared me with the knowledge of the lifetime robbed from Kamal. For myself, I would gladly have checked out of the whole painful business of going on living. David set the basic research design, the with-without comparisons which are described in Chapter One. At first, I just plodded blindly through it, trying hard to concentrate, to be patient with the frustrations of working through interpreters, suppressing my desire to lie down in the dust and howl.

But little by little the 20 Grameen women and the 12 women in the control group in Ratnogram began to get through to me. They were surprising; they didn't match the lists of grim statistics that wrapped up their situation in the books. They were resourceful. They were funny. They began to emerge as distinct individuals. I began to ask my own questions and pursue my own lines of inquiry.

I mined the weekly data sheets for specific decisions made by the family and used those to jump-start discussions with each woman on how those decisions were made. When I discovered what a drain illness was on the women's assets and prospects, I began to question them more systematically on health issues. I

took a scale and a big stick marked off in centimeters into both villages and took the heights and weights of all the younger children, as the easiest measure of the impact of the woman's earning power on those who mattered most to her. I started cross-checking some of the more heroic Grameen stories to get a more accurate picture of how group pressure and support worked in practice. I decided to hold group discussions with small numbers of Grameen women on some of the contentious social issues which had arisen during the year.

I felt too battered myself to make any big judgments on these women. Mostly I listened with growing respect and empathy to the many and varied things they had to say. They are different from each other. They are strikingly different from the image of the South Asian poor woman which permeates the literature — a huddled figure, the end of her *sari* pulled well forward over her head, ageless, youthless, squatting against a dry field, a brown hut, a bare yard; each one of these millions of shadowed faces indistinguishable from the next. I decided that whatever else I did with the huge amount of data we were collecting, I would present the women in Ratnogram and Bonopur as they are — as individuals; as active shapers of their own lives.

*Helen Todd*

## Acknowledgments

My thanks go first to the Grameen Bank, who funded and facilitated the research project from which this book has grown. In particular, Professor Muhammad Yunus, founder and Managing Director, once he accepted our desire to look more thoroughly at the Grameen Bank itself, before doing the research he wanted on the international replications of it, was very open about the issues on which the Bank wanted answers, visited us in the field and made valuable comments on our findings. Before we went to Tangail, at the end of the year of data collection and again when we had analysed the data, we gave seminars to the senior management of Grameen Bank and Grameen Trust, whose reactions gave us important feedback. Whenever we surfaced in Dhaka, Mr Khalid Shams, Deputy Managing Director, and Mr Khondakar Mozammel Haq, General Manager, found time for a stimulating exchange of ideas. Mr Mohammad Mortuza, then Deputy General Manager, Monitoring and Evaluation, was in charge of us, a responsibility he took on with his usual zest and efficiency. He smoothed our path in many ways and shared freely his experiences as Zonal Manager in Tangail during the repayment crisis of the mid-1980s.

In Tangail, all of the Grameen Bank staff were unfailingly helpful, with information, records unearthed from dusty attics and *char*. Our particular thanks go to the Modhupur Area Manager, Mr Md. Fahkrul Islam, and all the staff of the Shajahan and Ghatail Branch Offices. The Zonal Manager, Mr Sheik Liaqhat Ali, added to his already horrendous travelling schedule the task of dropping in to Ghatail, usually carrying my favourite *doy*, and staying to talk about his zone.

Our stay in Ghatail would have been very different without Mr Md. Ahasan Ullah Bhuiyan, the Ghatail Area Manager, and his wife Tanu. They gave us a room in their quarters and Ahasan "managed" our comfort with the same energy and effectiveness that he managed everything else. Ahasan's humanity and

humour, and his commitment to the social goals of the Grameen Bank, helped us through several rough patches in the field work, while Tanu's tolerance of David's invasions into her kitchen was admirable.

The research could not have been done at all without the help of our research team: Bilkish Begum and Md. Ahsan Habib, the research investigators for Ratnogram and Bonopur respectively, and Kajal Chowdhury, our chief Research Assistant, who kept the data collection going through monsoon and pregnancy. In the last four months in the field, Nasmunahar joined me as interpreter, adding her tact and language skills, and excellent rapport with the village women, to my efforts to delve into sensitive family issues.

I hope the book itself is sufficient testimony to the respect and affection in which I came to hold the 62 women in our sample. All that remains for me here is to acknowledge how generously they shared with me one of their scarcer resources — their time.

Maheen Sultan, then Area Manager with the Grameen Bank, gave me critical comments on the manuscript at a crucial stage of the writing. Professor Rudolfe de Koninck, of Laval University, who visited us in the field, gave me sound advice about the structure of this book. My daughter, Nadiah, and stepson, James, pointed out the boring bits and the "dung cakes" — references not clear to the average reader.

Without David Gibbons, partner and fellow-researcher, none of this would have happened. He saw the need for an empirical study of the long-term impact of the Bank on its borrowers and invited me to participate. His loving companionship in the field helped me survive a time of great personal pain. Since then we have collaborated in analysing the joint data base and written our separate books side by side.

*HT*