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Illness is the Worst Disaster

by Helen Todd

BANU was married off at 10 and spent the next decade of her life pushing her father-in-law's ghani — that grating wooden mill that crushes mustered seed, and the spirits of the grey-faced women who push it around.

Not Banu's though. She is tiny, but full of spark. Her chisled face is always alight with merriment. And even at 20 she had plans.

She persuaded her husband there was no future in his overcrowded bari and they came back here to her father's house in a village near Ghatail in the Tangail district. In 1982, she joined the Grameen Bank and used her first loan to buy her own ghani.

Then step by step she began to put her plan in place. First she bought a two decimal houseplot and built a tin-roofed house. Then she began to lease in small lots of padi land. Her aim was to turn her husband into a farmer and get the family out of the low-status mustard oil business altogether.

In this ghor-jamai marriage, financed by her Grameen Bank loans, Banu calls the shots. "I am the Lord!" she declares, all five foot of her gurgling with amusement at the idea.

By 1989, Banu and her husband were operating 40 decimals and Banu had her eye on a one bigha houseplot on which she would create a new bari for herself, with room for future houses for her two sons.

Then disaster struck. Her husband contracted tuberculosis and lay in the bari too weak to work. Banu slipped making murti; hot ash burned her leg to the bone, putting her on crutches for six months and stopping her work on the ghani.

Banu took a loan from her group fund. Her general loan was diverted from mustard seed to medicine. They went from doctor to doctor. The leased-in land went back to its owners. After a year Banu got her husband into a private hospital. She borrowed. She went hungry. But finally her husband was cured.

Banu was 30. Her family was still in one piece, but they were back to zero.

This is the story of many of the Grameen Bank families in the two villages we studied in Tangail. Bengali peasants have survived floods and cyclones for millennia; what sends them back to the bottom are the disasters that don't make headlines — tuberculosis, typhoid, dysentery, gastric ulcer and the complications of children.

There are government

health centres close to both villages but villagers seldom go there. The government doctors are usually busy in their private clinics and the "free medicines" that is supposed to be available is as rare as rain in winter. So sick villagers got prescriptions from doctors in the nearest town, and had them filled — at high cost — from private pharmacies. Families who were still poor in our sample of 40 families (13 were moderately poor, and



Ghatail, Tangail: Dr Mohammad Yunus, Prof David Gibbons and Ms Helen Todd talking to Grameen Bank members.

eight still extremely poor). 73% had been hit by serious illness. This seems to us to be an important reason why these Grameen families were still poor.

Their Grameen loans had been diverted from earning income and spent on treatment. The costs had wiped out most of the assets they had built up so painfully over ten years of using the Grameen loans. In several cases the illness had also wiped out the breadwinner, leaving the Grameen member a widow.

Banu, like the others, still has Grameen Bank behind her, not to mention her own Jack-in-the-box resilience. Last year she was back on her feet again, using her general loan to lease in 20 decimals of padi land. This year she will lease in more.

The ghani has gone. "I'll never push it again. Not for anyone!" she says. Her eldest son is apprenticed to a carpenter shop in Ghatail, so he too is

The Grameen Bank — as Seen by the Outside World

The success story of what is now aptly called "the bank for the poor," the internationally known institution set up by Mohammad Yunus, has inspired similar experiments in different developing countries, including Malaysia. For those who are following the Grameen Bank model, it is not enough to study it from distance. So, two Malaysia-based experts took time off to spend several months in a village of Bangladesh, closely looking at the performance of the Bank. They are David Gibbons, a Canadian professor at University Sains Malaysia and Helen Todd, a New Zealand born Malaysian citizen.

Their two reports appear here, followed by two separate interviews with Ms Helen Todd and Prof David Gibbons by Nancy Wong.

Grameen Bank Female Loanees, 10 Years Later

by David S Gibbons

VIRTUALLY half of the Grameen Bank families we studied are no longer poor, and their progress is sustainable. These are among the important preliminary findings of new independent research on the longer-term impact of the Grameen Bank in Tangail District that has just been completed.

Poverty Reduced

After 10 years of borrowing from the Grameen Bank, 46%

Taka 3653 and 6,226), and 20% are still Very Poor (with a total, annual household income per person of less than Taka 3653). In the Control Group, on the other hand, 96% of the households that were poor 10 years ago are still poor, with as much as 74% still Very Poor.

No wonder many of the Control Group families are pleading with the Grameen Bank Center Chiefs to let them become loanees. (Table 10)

Answering the Critics

These impressive findings concerning the longer-term impact of the Grameen Bank on the rural poor are of most importance to the formerly poor families themselves. Now they can be sure of 3 meals a day, of enough food for their always hungry children, of adequate medical attention for sick members, of keeping their children in school, even of tasty snacks for iftar and, possibly, sharing a goat with a few other families for Korban.

That GB loans have resulted in considerable reduction of rural poverty over the longer-term is important also to the continuing debate among scholars and practitioners of development as to whether or not credit for income-generation is the critical missing-link in so-called "poverty focused" programmes that have failed to reach or benefit the poor. These positive, long-term results of credit for the poor should swing the argument decisively in favour of the Grameen Bank-style credit-first approach. However, still there will be critics who ask justifiably, "How do we know that this poverty-reduction through credit is sustainable? Surrounded by a hostile, exploitative environment, the newly non-poor probably will

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Projek Ikhitar, Malaysia: Houses of families qualified to borrow — exclusively for the very poor.

children as a whole perform dismally) the Grameen children are underweight. They measure, on average, only 76% of the international standard. The control group are much worse off, reaching only 68% of the standard. By WHO definitions they suffer from second degree malnutrition.

What makes these differences in centimetres and kilograms was brought painfully home to us by Fatimah, a mother in the control group, and her son, Firhad.

All the time we were working in the village measuring the children, Firhad was lying in his bari, dying of kwashiorkor — extreme protein-energy malnutrition. He had been dying by inches for most of his seven years, his mother told us. Lack of food, intensified by recurrent attacks of worms, dysentery, bronchitis and more dysentery has reduced him to this: — sticks for arms, all his flesh sunken back against his bones except where his swollen belly hides them.

Two wives, Firhad's grandmother, and four other children live in this bari, dependent on the infrequent earnings of one landless labourer. But it is not just lack of taka for food that is killing Firhad. It is also his mother's helplessness. Whether her husband works or sits in the teashop; whether he buys food or gambles away his earnings, Fatimah is powerless to exercise any control.

Some of the Grameen women in this village have lackless husbands — or no husbands — and their lives are hard. But they have taken in their own hands; they can use it to earn their own incomes. And they direct their earnings to the welfare of those who matter to them — to their children.

During the year of our research there were Grameen children who died of illness. But there were none who died without treatment, of neglect and starvation, while their mothers wept helplessly, like Fatimah over Firhad.

Long-Term Female Loanees Compared With a Control Group in Tangail, 1992/93.

1.0 Big Reduction in Poverty after 10 years

POVERTY STATUS	Grameen Bank Members	Non-Members
very poor (annual income less than Tk. 3,653 per person)	20%	74%
moderately poor (annual income Tk. 3,653-6,226 per person)	34%	22%
no longer poor (annual income more than Tk. 6,226 per person)	46%	4%
TOTALS (n=41)	100%	100%

Source: Tangail, Crucible of the Grameen Bank Approach Research, 1992/93.

Women have great confidence : Helen Todd

WHEN Helen Todd, who has been involved with Projek Ikhitar in Malaysia since its inception, came to the village of Ghatail a year ago to do research on how Grameen Bank women loanees were faring, she learnt a thing or two about them. She had read about the low social status of Bangladeshi women in general, how meagre their self esteem was and how exploited they have been. To her astonishment the Grameen Bank women members she spoke to seemed to be from another planet — quite different from the down-trodden species she had come to expect. "These women had such great confidence," she exclaimed. She wondered why. "So I asked to see what their perception of their contribution to the household expenses were, to which they proudly replied '12/16... this is what I give to the running of our household... koop beshe...'

Contrary to a school of thought that these village women are further exploited by having to take on further responsibilities apart from those of child rearing and household chores, members of Grameen Bank are overcome with gratitude at the opportunity given them to generate some income of their own. There is no conflict of interest as their income-generating activities are centred around the home and villages and they have enough time to take care of their children too. In fact, according to Helen, she and her research assistant actually

measured the height and weight of two lots of kids and found that those whose mothers were Grameen Bank members weighed more, were taller, better nourished and stayed longer in schools.

As the realisation that loanees of Grameen Bank stand to gain so much in the way of improved living standards and increased social status dawned, demand among non-members grew to such an extent that the bank's centre grew to full capacity and could not admit any more new members. The good news is that there is a plan to open a new centre.

Since "poverty is the mother of all arts and trades", Helen found no lack of enterprise among the women members in the two villages she studied. They got involved in the rearing of goats, cows, chickens, ducks as well as some trading. In many cases, the women managed to turn the lives of their husbands around by purchasing small plots of agricultural land so that they can work on their own farm instead of being itinerant labourers scouting around for work the whole year round.

Because of such successes some women effectively came to manage the household finances, and one such happy housewife, Rahat, proudly proclaimed to Helen: "In our house I am the lord!" A very cry indeed from the numerous instances of her poorer sisters who are time and again forced to distressful acts like handing

over their children, some as young as six or seven to do domestic work in houses in the city for just their board and keep. Women members of Grameen Bank further con-

fided to Helen that because of their substantial contributions to the household income, they have found their husbands treating them with respect.

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We follow the model closely : David Gibbons

A chance meeting between two university professors in April 1985 at Comilla started a chain reaction which led to a successful poverty alleviation

scheme among the extreme poor in rural Malaysia. David Gibbons of University Sains Malaysia, met Muhammad Yunus (of Grameen Bank fame) at a seminar organized by the

Bangladesh Academy of Rural Development and was so impressed with the latter's unique method of tackling the fight against poverty that he adopted his concept of banking on the rural poor — something which had not been tried in prosperous Malaysia.

"It was indeed a fortuitous meeting" recalls Gibbons, who holds tenure at the University's Centre for Policy Research. Way back in 1970, he joined University Sains when it had just opened its doors, as a lecturer with the Social Science Faculty. Being new and innovative, the university encouraged its staff to do research relevant to Malaysia which was how he became involved in the poverty challenge. In a country which was developing at quite a rapid rate and blessed with substantial and varied natural resources, there was a sizeable group which was left behind. These were mainly Malays who lived in the rural areas. Gibbons was puzzled by this and concentrated his research in this field.

"In the early '80s we were making recommendations to the Malaysian government that credit be made available to poor farm householders to rent in more agricultural land because their farm lots were too small to produce income above the poverty line. The government accepted this recommendation but nothing was ever done in the way of implementation," continued Gibbons. Then, during the fateful meeting with Dr Yunus

when they talked shop and Gibbons learnt of the "modus operandi" of the Grameen Bank, "something clicked, because here was a bank for the poor; and we in Malaysia, have been recommending that the poor would get loans but nothing had happened. I was so impressed that not only is there a bank for the poor but the repayment rate was almost 100%. Contrary to a great deal of misconception, the poor was indeed "bankable" despite the lack of visible collateral. So Gibbons decided to "transplant" the Grameen approach on Malaysian soil.

Projek Ikhitar was launched on Jan. 1 1986, with a start up capital of US\$24,000, contributed by the Asian-Pacific Development Centre, the Selangor Government and YPEIM (Malaysian Islamic Economic Foundation.) University Sains provided two staff members from its Action Research team. This pilot project ended on June 1988, by which time it had actually reached 450 households in the N-W Selangor region, thus exceeding the original target of 300 households. In spite of "absconders" the repayment rate was 90%. One interesting fact which emerged out of this pilot project was that while male loanees showed a repayment rate of 78%, their female counterparts had a much higher one of 95%!

This scheme expanded to include more poor women in the rural areas. Not at all surprised. Continued on page 11

Interviewed by NANCY WONG



Helen Todd



David Gibbons