

## Dr Anisur Rahman's response to Dr Yunus's open letter

## MD. ANISUR RAHMAN

EAR Dr Yunus, Like other Bangladeshis I have been very proud at your winning the Nobel for your dedicated work on micro-credit at home and abroad. You know, perhaps, that I have had reservations about some aspects of your work, but I refrained from expressing them even when some newspapers asked my views after you got the prize, because I felt that was a time to relish, not to criticize. But now that you are considering entering politics and have sought the views of every citizen of the country on the idea, and suggestions on how you should go about leading the nation to progress, it is incumbent on me that I respond.

This nation of ours has, indeed, great potential, and is awaiting inspiring leadership. I have been involved in a recent scanning of people's self-development initiatives in the country, by 70 patriotic journalists of the country, that has raised by many times my hopes in the creative capabilities of our down-trodden people. Let me give you quick snapshots of some of these:

Farmers of Maheswarchanda village in Jhinaidaha engaged in collective deliberations -- what people are calling *gonogobeshona* in recent times -- for months for developing their village, and in 1996 implemented a voluntary redistribution of land and leveled all land removing the ails, to facilitate cultivation with modern techniques. Agricultural production in the village rose phenomenally. With many other collective initiatives in economic and social sectors the people of this village have accomplished a virtual socio-economic revolution.

Under the leadership of a patriotic chairman, the people of Shahapara union of Gabibandha are formulating the union's budget and development plans in public meetings and implementing them, resulting in all-round development of the union. Not easy to believe, political feud has disappeared from this union ever since this movement started some years back.

In the Banadvilla area of Baghpara upazilla, farmers formed "agricultural clubs" and invited *krishi* officers to meet them there and advise them on improved farm practices. *Krishi* officers responded eagerly, and this union of the two classes of society resulted in five-fold increase in agricultural production in the area over the period 1988 to 2002. This initiative has spread further in the union, to the formation of a total of 22 *krishi* clubs in the upazilla, flying the flag of revolutionary rise of agricultural production.

An agricultural block officer in Chuhor block of Pairabandh union in Mithapukur upazilla, Rangpur, saw the landless labourers there eating just rice with chili at the end of the day. He started door-to-door visits to their households, motivating and teaching them how they could improve their fortunes by putting every inch of household land to productive use through vegetable, poultry and fish farming, and also by scientifically producing high quality organic fertilizer for marketing. The fortunes of 1,200 landless households in his block improved fast, and the landless in neighbouring blocks are also following suit with the block officer's guidance.

A farmer of Dhankhola village in Iliotganj, Comilla, has accomplished a fish revolution by mobilizing and organizing 52 farmers for collective fish farming in waterlogged land, with the slogan "save yourself, save others." Seeing the rise in their fortunes, the technology has spread in the area. At the moment about 50 very profitable collective fish farms are operating in three upazillas in the district, in one of which about 350 farmers of seven villages are farming fish collectively.

And the innovativeness of a low-income egg seller of Nasirnagar are in Brahmanbaria -- he has mobilized duck farmers of downstream areas to lease ducks from farmers of upstream areas when water level in upstream areas is low, rear the ducks and sell the eggs, and when water returns to the upstream areas the ducks are sold back to their original owners -- a kind of "sharecrop-farming" with ducks, benefiting both sides.

A low-income farmer of Jaldhaka upazilla, Nilfamari



district, got a loan of Tk 3,000 from the Krishi Bank, which he put into eggplant and fish farming that dramatically changed his fortunes. In three months he had a profit of Tk 15,000 from eggplant alone after festive distribution of the product to his neighbours. With the profit, he invested further in milch cow and goats. In one year his earning was more than Tk 80,000.

The Krishi Bank of Jaldhaka also initiated the formation of nine groups of low-income farmers and gave them a total loan of Tk 216,000, and helped them with technical know-how on vegetable farming, poultry and fishery. The fortunes of these farmers have started changing dramatically. The benefit has spread to other poverty groups in the village by way of greater employment and wage of day labourers, rise of fishing-net business, and stimulation to unemployed youth to get engaged in creative ventures like poultry and biogas production with cow-dung after taking training from relevant government offices. And some farmers have started storing the products themselves and selling them outside, by-passing the middlemen and coining their own term for this activity -- *rakhi* business (keep the surplus ourselves business).

As another example of *rakhi* business, chili farmers of Khalishapani of Nilfamari have organized a *haat* in the village and are managing it through an elected *haat* committee, to bypass the *farias*.

In Gurguri village in Nilfamari sadar upazilla, a group of two unemployed young boys and six women of very low-income families (one widow, one wife of a landless labourer with uncertain income, and the husbands of others not earning enough for family needs) started moving out of acute poverty without any support from outside to start with. These six persons formed a *samity* and managed to take lease, at a nominal rent, of two-and-a-half acre low-lying land for fish cultivation. With good return from fish they were able to buy eight cows, and their income rose above one lakh taka within a year-and-a-half.

Seeing the impressive entrepreneurship of this group, the upazilla fisheries office came forward to give them a loan of Tk 32,000, free of interest, repayable in five years. With this loan the *samity* rented and engaged labour to prepare a whole marsh for fish cultivation, bought a net and heaps of fish-ling and feed, lime, fertilizers, etc. for large scale fish cultivation. The fortunes of the *samity* members, self-managing the *samity* with hard work and strict discipline,

have changed dramatically, and within three years they have also been able to repay half of the big loan.

A youth of Sripur village in Rangpur district had only Tk 70 in his pocket with which he started guava cultivation in his home-stead. His father gave him Tk 1,300 to buy a bicycle, but he invested this money to extend his nursery. His income started rising, and he subsequently bought six bighas of land to extend his nursery. A decade later, today, he is owner of two large nurseries earning Tk 9,000 a month, and has six farm hands plus a number of *kamlas* who have found employment in his nurseries.

Another example of science for poverty alleviation through productive initiatives without any credit is the application of the technology of improved ovens in six villages in Belta block on the outskirts of Jamalpur city. Women of extremely low-income families in these villages were first trained to make improved ovens by a block supervisor who learnt this technology from the Science Laboratory in Dhaka. Today, there are 70 women's and 20 men's *samities*, with a total membership of 1,350, making this oven by visiting villagers' homes and charging Tk 100 only, the net material cost for making each oven.

The total saving accumulated in these *samities* taken together today is nearly Tk 250,000. Members of the *samities* are also making further earnings by vegetable farming in their homesteads, and in environment preservation work with tree planting.

And there are impressive accounts of poverty groups advancing in their lives through self-initiated group saving-and-loan initiatives of their own, and many are moving forward even without loan but with technical input from outside. There are, for example, "*mushitichal*" *samities* of women of extremely low-income households -- e.g. *Mushitichal Mohila Samity* of Dalanbari village, Begumganj upazilla, Noakhali district, self-managing saving investment and loan operations; and similar *samities* of wives of rickshawallahs, van drivers and low-income farmers in Pirkacha village, Gaibandha district whose members set aside two fistfuls of rice and one taka saving daily, from which loans are given to *samity* members for various small scale economic initiatives. The "Fultala bazaar small businessmen's savings and loan scheme" in Khulna started in 1981 with 296 members, which gives productive, business as well as distress loans to its members, including rice and kholi loan without interest when rice price

goes up.

I could go on recounting many other such instances of initiatives by the downtrodden people themselves, moving up in terms of their own fortunes as well as contributing to economic growth of, and employment generation in, the economy, without outside support or with different kinds of support, in some cases financial, in other cases technical.

As against such initiatives, the micro-credit initiatives inspired by your vision and dedicated effort have not, on the whole, gone as well in Bangladesh as has been publicized worldwide. This was generally known informally in the country by those in touch with the grassroots, but has now been objectively confirmed in a study just published by Dr. Kholiquzzaman and his colleagues (Ahmed, Q. K. (2007), *Socio-Economic and Indebtedness-Related Impact of Micro Credit in Bangladesh*, University Press Limited (UPL)/Bangladesh Unnayan Parishad (BUP)/ActionAid Bangladesh (AAB), Dhaka).

Briefly, the terms of micro-credit in Bangladesh are stiff and generally too restrictive, by way of weekly repayment and saving commitments, to allow free choice of avenues for utilization of such credit. Even in the restrictive economic space permitted by its terms, the borrowers often face hardships to meet the scheduled "kisties," so much so that they have to sacrifice essential consumption or borrow from other money lenders or divert resources from other activities to service the debt, and get into seemingly perpetual debt cycles.

Very importantly, the desired women's empowerment in the preference to women as clients of micro-credit as an important social objective is more often than not unfulfilled because of the grip of the male-dominated culture in Bangladesh, which the operation of micro-credit fails to address. It should also be noted, as the study cited above has observed, that instances of seizure by the lending agency of tin-roofs, pots and pans, etc. in cases of inability to repay micro-credit in time do take place, and this amounts, in effect, to "impicit" collateral for such loans.

As against this general effect of its operation on the borrowers of micro-credit in the country, the instrument is working as a rather lucrative profit-yielding business to the NGOs engaged in such operation. While the Grameen Bank itself is not an NGO, but is, in its charter, an organization of the borrowers of micro-credit, a criticism is floating that decision-making of this bank is hardly controlled by its general membership, and, like the country's major political parties, its opera-

tions are in fact controlled by its top leadership -- ultimately by "The Leader" -- by no means a healthy democratic culture.

All in all, the above evidence of people's self-initiatives, without or with outside credit, micro or macro, and of the overall experience of micro-credit of the Grameen type for poverty groups in this country, calls for caution in advocating the kind of "credit-fundamentalism" that you are advocating, Dr. Yunus, when you say that "credit is a fundamental human right."

First, what kind of fundamental right is being granted that brings credit to low-income groups at interest rates, and other terms of credit at terms much higher and stiffer than the interest rate for credit to the rich? Secondly, and I raised this question to you in public before in a conference some years back, I maintain that it is more fundamental that our toiling primary producers are assisted to keep the maximum possible part of the surplus that they produce, rather than handing their surplus over to the exploiting trading middlemen and then being grateful to an external credit agency to offer them small loans at stiff terms. Such loans enhance the profits of both, the lending agency as well as of the local trading middlemen, thereby actually aggravating inequalities in the society in both directions.

One, at least, could be tackled by encouraging and assisting the borrowers to engage in collective *rakhi* business that primary producers who are not clients of micro-credit business of NGOs are embarking upon by themselves in some places. For this the credit borrowers may need management and market know-how that a pro-toiling-people NGO may wish to provide. Now that you are knocking at the door of national politics you should know that some well-meaning people will want you to clarify your ideology on such question.

And Dr. Yunus, are you aware that that a "*gonogobeshona*," or people's research movement, is spreading among the underprivileged people of the country, with such people getting together to collectively brain-storm on their problems with no financial or other kinds of material assistance being offered to them? Such *gonogobeshona* is resulting in these people identifying the causes of their poverty, both by way of their own failings -- such as gambling away money coming into their hands, and also by way of exploitation and oppression by vested interests, denial of public services to them that is their right, and such various causes of their perpetual poverty.

But when the downtrodden

people do research they do not do this to publish books as we do, but to equip themselves with knowledge and ideas to take immediate action to improve their situation. Thus *gonogobeshona* is resulting in decline of gambling by men-folk of low-income families under collective pressure of women *gonogobeshona* groups; in the formation of self-managed collective saving-and-loan programs by very low-income groups that are much more cost-effective, flexible and humane in their operation than micro-credit

programs of NGOs; rise of the wage-rate of female farm labour under collective pressure of farm women *gonogobeshona* groups demanding same wage as male labour; individual and collective self-managed economic initiatives of various kinds about which low-income people had not thought before; successful pressure on government hospital doctors to stop prescribing standard drugs to underprivileged people without so much as touching a patient -- with *gonogobeshona* groups asserting their rights to public services, astounding the TNO or union council chairman introducing themselves as "*gonogobeshona*" demanding people's rights; stopping early marriage, abuse of wives by husbands and dowry -- various such poverty-alleviating measures without any financial input from outside. And the *gonogobeshona*, through collective discussion, define their poverty not just in economic terms but in terms of a web of economic, social and cultural traps, and are, thus, intellectually ahead of most of the world's intellectual poverty watchers.

There are, today, several thousands of such *gonogobeshona* groups in the country. And many of them are not only moving ahead in terms of poverty alleviation but are also asserting, from their own experience with *gonogobeshona* and resulting improvement in their lives, that their first "basic need" is access to "means of collective thinking" -- just as elite intellectuals and business corporations have their own seminars and conferences -- so that they can through collective deliberation identify, first, their own failings in efficient utilization of whatever money and other resources they have themselves, and then how they may move further forward with mutual co-operation, solidarity and care.

I wonder, Dr. Yunus, what will be your attitude and policy if you come to power, toward such *gonogobeshona* by the downtrodden. Will you, like great Lenin, profess that the wisdom of intellectuals -- "vanguards" with "advanced consciousness" -- is superior to the wisdom of the

"working class" so that "dictatorship of the proletariat" degenerated into "dictatorship of the party of intellectuals and bureaucrats," or like Chairman Mao, respect people's wisdom but in the end bring out the little red or green or whatever coloured book as a collection of thoughts of the Great Leader rather than of "people's thoughts," so that the day after the Great Leader dies the people search for another great leader to submit to his/her thoughts!

Or will you encourage and support the spread of *gonogobeshona* all across the country so that people move forward by their own collective thinking and knowledge in which they will, of course, consider the thinking and knowledge of other pro-people elements of the society who come to them to extend a hand of comradeship, and not paternalism or domination.

And will you also launch a movement for what I am calling "people-to-people development co-operation," assisting the spread of knowledge all across the country of how our disadvantaged people themselves are imaginatively moving forward by their own initiatives, and assist people to learn such ways of moving forward from each other -- as they say in the indigenous Bantu language of South Africa, "uakana" or "developing each other."

We have enough instances in the country, some of which have been mentioned above, that a successful innovation is the best theory of development and of poverty alleviation, and the innovators are the best educators for other similarly situated people.

One final point: do you know, Dr. Yunus, that this Muslim majority country of ours has thousands and thousands of "untouchable" people of small means who are denied even a cup of tea in the village tea stall -- the so-called "harijans" (many of whom today are even Muslims!); "rishis," "mundas," "das's," "muchs," "dalits," "bunos" and other such social categories spread all over the country?

I have visited some of these communities with other friends, and the way their children grasped our hands and guided them to caress their bodies, a touch they have never had in their lives, was such a poignant enlightenment for me of my own failing as an intellectual and professed friend of the disadvantaged that I had never gone to them before. And one of these "untouchable" boys managed to get higher education and become a lawyer in service of an NGO, only to be dismissed when the NGO came to know of his community identity!

One of these communities today is getting access to the tea stall by its collective strength derived from getting together in *gonogobeshona* meetings to discuss its conditions and rights, but the glasses and cups with which the hotels are now being compelled to serve them in are being specially marked, so that their "touchable" customers are not "polluted" by being served in these utensils!

Will you, Dr. Yunus, admit that for these communities who are our own children and brothers and sisters, uncles and aunts, the first step to alleviation of their poverty is to give them the social dignity that is due to every human? Will you ask the "shushil shama" leaders who are crowding your political camp to visit these communities and sit down with them on their floor to share with them a cup of tea to initiate this first step?

Dr. Yunus, I indeed expect a lot from you. The bulk of the nation will follow your leadership if you can give the right call -- not look at the poverty of our people and in money terms only, but at the poverty of our elite who call our people "poor" and worthy of "targeting" for poverty alleviation.

I recall reading an account of a French scholar who was visiting an indigenous community called "Tepitans" in Mexico which had been devastated by an earthquake, which had mobilized itself to heroically rise from its debris. This French scholar visited their mobilization, and after seeing everything remarked: "It is all very nice but, after all, these people are very poor!" And immediately the Tepitans stiffened, and said: "We are not poor, we are Tepitans!" What a proud assertion of one's identity in the midst of acute poverty!

The people of this nation had also asserted after we got our independence that they were not poor but proud Bengalis, who had won a liberation struggle against a mighty army backed by the world's greatest power. And, like in the "self-reliant movement" in Rangpur, they were ready to move on to show the whole world what this "poor" nation could do, like the "foolish old man who moved the mountain" in the Chinese fable that was quoted by Mao Ze Dong. And although I am not a Marxist, I have admired Marx's vision of the "revolution," not to solve the problem of poverty of the working class but for this class to "create their own history."

I have also admired that Mao after the Chinese revolution did not say that China would now solve its problem of mass poverty, but said simply that "China has stood up" to show the world that it will now remove the mountain! And how prophetic he was! Dr. Yunus, will you also say that the people of this great country are not "poor" -- they are proud Bengalis who can show the world what they can do if empowered to do so, and that you want to lead in an effort to thus empower them.

Dr. Yunus, notwithstanding my critique of your effort with "banking for the poor" I am a great admirer of your dedication which I have watched all these years, and am so proud that this has been rewarded by the highest international prize. I would have liked it better if you had got the prize for an effort to mobilize our people to scale greater heights than many of the kind of initiatives I have touched upon show that they are capable of. But perhaps you never had such an opportunity in a very adverse setting.

Now this prize itself may be giving you this opportunity by leading the nation to accomplish this task, on a new pitch being prepared by Fakhrudin and his team. Come -- seize the opportunity if you want it! If your manifesto will be anywhere close to the vision I have outlined above you have my full blessings, and seeing you succeed will make my last years in this journey on Earth full.