

Microcredit under undue questioning

It has to be admitted that microcredit has extended the right to credit to the poor, hardcore poor and disadvantaged people, which is a great gain for them. Microcredit has relieved them of the agony of being treated as untouchables by the state and financial institutions in economic consideration.

HABIBUR RAHMAN

MICROCREDIT is going through hard times. Microcredit programmes are facing adverse criticism and opposition from various quarters. A section of economists, intellectuals and bureaucrats are ruling out microcredit as a development programme. The criticisms are creating an idea that microcredit has no role in poverty alleviation and development, rather the poor are being exploited through it so it is better to stop this programme.

Has microcredit really failed to play any role in poverty alleviation? This is a big question in the people's minds now.

Microcredit programmes started in Bangladesh some time after independence. Then, its sole objective was to reach small capital to the poor and disadvantaged in society so that they could engage in income generating work to be self-reliant and come out of the vicious circle of poverty. But how far that objective has been reached is a question that many ask today. They claim that microcredit of Tk.2,000 or Tk.5,000 just could not serve any purpose of the poor, rather they got tangled in a debt net. Microcredit has harmed them instead of helping them, so it would be reasonable enough to stop the programme, they opine.

Microcredit, however, deserves some explanation vis-a-vis these discussions and criticisms.

To judge the success or failure of microcredit, it is necessary to analyse both its economic and its social sides. Analysing only its economic benefit and impact will be partial; analysing its social importance is also necessary. It is hard to say specifically how many people have become self-reliant through microcredit. But it cannot be denied that it has played quite a strong role in the unprecedented improvement in the poverty situation the country has achieved over the past three decades.

Did the poor get any opportunity to take loan from state or government institutions prior to commencement of the microcredit programme? Has the state been able to provide such an important service as credit for all as yet? Rather, NGOs have been able to establish that important right through microcredit. This fact has been recognised as a social milestone or breakthrough. Through this, at least one age-old discrimination has been removed. In the history of social evolution, this will be treated as an achievement, not otherwise.

Besides, it has to be admitted that microcredit has extended the right to credit to the poor, hard-

core poor and disadvantaged people, which is a great gain for them. Microcredit has relieved them of the agony of being treated as untouchables by the state and financial institutions in economic consideration. The hardcore poor, perennial poor and low-income people have found easy opportunity to avail an essential service like credit through the NGO programmes. They have accepted it without any hesitation.

It is hard for others to realise how big an opportunity this collateral free loan is to a poor

loan and run their enterprise as they like. They have become shopkeepers, tailors, kitchen gardeners, grocers, teashop owners and so on. By producing crops, running nurseries, and rearing poultry and cattle many of them have not only become self-reliant but have also brightened the facade of their families and households. Most of these women have been reevaluated in the family and locality.

Those unfortunate women were who abandoned by their husbands and were almost outcasts in family and society can now stand on their own feet because of this microcredit facility. How many of us have noticed this silent transformation? At the beginning of the '80s of the last century, 80% of Bangladesh's population lived below poverty line. In 2010 this has halved, that is the poor constitute 40% of the population.

Now, about 90% of the children are going to school, but 30 years ago this rate swayed between 40% and 50%. A very considerable part

known to all of us. It is the NGOs that have gone to the doors of millions of poor people of the country with microcredit, and resuscitated them, gave them advice, showed them the way out of frustration. True, many people have not yet been liberated from poverty. But those who could break out of the poverty net are also considerably big in number. That cannot be ignored even if one wanted to.

There has been continuing debate over the rate of interest on microcredit. Of late, the government has fixed it at 27%, to be effective from June 1, 2011. Maybe, on implementation of this new interest rate the debate will dissipate. And maybe this new rate of interest will generate dynamism in the sector and push forward the poverty alleviation programme.

When discussing microcredit, its international spread automatically comes in. What is the image of Bangladesh in the world outside? Excelled in corruption, political violence, natural calamity, burdened with over population, apprehended rise of religious fundamentalism etc., are also unfortunately pronounced with the name of Bangladesh. The biggest recognition that came for Bangladesh was through and because of microcredit. In 2006, its Nobel Prize winning microcredit programme positively turned all eyes across the world towards Bangladesh.

The United Nations has chosen microcredit as the main tool to fight poverty. If microcredit has played no role in alleviating poverty, then under what consideration did the UN select it for the purpose? The microcredit programme is gradually being extended into countries of North and South America, Africa and Asia on a considerable scale. Why then, in almost all underdeveloped countries of the world, is microcredit programme so eagerly adopted to alleviate poverty? By what magic has this microcredit earned so much confidence of the world's people? These facts provoke some thoughts.

Three large microcredit organisations of the country -- Grameen Bank, Brac and ASA -- are working for microcredit programme extension in different countries of the world. A large number of workers of these institutions are engaged in this programme in different countries. They are earning both name and foreign exchange for the country. Microcredit programme has provided direct employment to quite a few lakh people in Bangladesh. The microcredit sector indeed constitutes a considerable part of the country's development activities.

In fact no development strategy or poverty alleviation programme is totally flawless. It is perhaps not possible to make them so. In the process of gradual evolution everything moves in the logic of induction and deduction. Microcredit is also not out of this. It is only hoped that microcredit would overcome the small errors and omissions in a short course of time to be a more human welfare programme.

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A.M.AHAQ DRINKS NEWS

person. As such, this programme gained popularity very fast in the nooks and corners of the country. Now, the microcredit institutions are distributing some 25 to 30 thousand crore taka in the rural areas. The poor and the low-income people are spending the money on many income generating ventures and necessities. This is playing the part of a catalyst to keep rural economy moving and invigorated.

Microcredit has turned into an inseparable part of rural economy. There is no way to deny this reality.

How important is microcredit economically in a poor man's life? One answer to this question is that it has freed millions of women from house confinement. The poor women whose fate was sealed to deliver and rear children, who could not be emancipated in hundreds of years of effort, have found the message of freedom in microcredit.

Poor women form groups of 25 or 30 to take

of these school-going children are wards of microcredit beneficiaries. Many such children are getting or have got higher education. If microcredit does not work at all, then how has this change been brought about? Has this sizeable success been possible solely through government efforts?

There has been evolution in microcredit programme over the past one and a half decades. It has grown bigger and more matured. Size and amount of credit has increased. Many small credit beneficiaries are no more small. They have undergone significant material change. They have turned into medium entrepreneurs. Lakhs of such people can be found in nooks and corners of the country now. And alongside their own employment they have also created jobs for the other poor.

Think a bit, when a poor man is in extreme hardship who stands beside him with the money that can meet his extreme need? The answer is

Recognition of Palestine will ensure Israel's security

The US will probably help the feuding parties to carry on indirect negotiations to create some kind of understanding on major issues. In the meantime, it is expected that all countries around the world will recognise the State of Palestine within 1967 borders.

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BRAZIL took the lead in recognising what is just and historically correct. It was followed by Argentina, Costa Rica, Cuba, Nicaragua, Venezuela etc. Someone may ask whether the state of Palestine has been declared.

"Palestine already existed within the internationally recognised geographical boundary in which Israel was proclaimed. This was so in the UN resolution too when the issue of Israel's recognition came up. Therefore, there is really no need for fresh declaration for the establishment of a Palestinian State." (Ref. My book *Promised Land?*, published in the USA).

104 countries have recognised a Palestinian state, and there is no doubt that formal declaration of the state of Palestine will encourage many more to give formal recognition to the Palestinian State. (BBC On Line). This may also help the US in dealing with Israel's unyielding attitude.

It is interesting to see how Israel came into being. Originally, it was the Land of Canaan (present Palestine) where tribes like Philistines, Jebusites, Canaanites etc. used to live. Moses (pbuh) rescued the Children of Israel (Jacob) -- Bani Israel -- from Egypt, crossed the Red Sea and went to Mt. Sinai where he received the Ten Commandments.

But because the Children of Israel broke the Covenant with Almighty God by resorting to worshipping of the golden calf, God's curse led them to wander through the land for forty years. After long years of travel, Moses reached the Land of Canaan with the Children of Israel. He was, however, asked not to enter it. He died on Mt. Nebo and was buried there by the angels.

This happened some four thousand years ago. Thereafter, history witnessed many events like the Jews' long and deadly conflict with the Christian Churches, Black Death (plague), Crusades, Holocaust etc., in which millions of converted Jews and practically all the descendants of the Children of Israel died.

Probably a handful merged with the people of Palestine and other Arabs and never looked for a state of their own. In any case, the Torah never provided any state for the people of Jewish faith. This is why Jews belonging to Naturei Karta have all along been totally opposed to the state of Israel.

The story of Israel began when Jews started looking for a place to build a "home" of their own, as reflected in the decisions of the Zionist Congress at Basle, Switzerland (1897). Europe also wanted to get rid of Jews after the World War II. Following these developments, American Zionist Emergency Council started pressuring American President Harry Truman to support their demand for admitting just 100,000 Jews



into Palestine.

With American support, the British Mandate holder reluctantly allowed this in 1945. Then immigration of the people of Jewish faith into Palestine continued. It's a long story of Jews taking over of Palestinian land mostly by illegal means and also by using force.

On May 14, 1948, Jews in Palestine unilaterally declared the Jewish state of Israel without any approval of the UNSC, and within 11 minutes of this declaration President Harry Truman recognised the state of Israel without any advice or recommendation from the State Department. (The copy of the declaration is in my book *Promised Land?*)

When President Truman was asked why he recognised Israel so quickly when he was initially so annoyed with undue pressure on the White House by the Zionists' organisations, he replied: "My constituency has Jews and no Arabs." This

seems to be the election strategy of American politicians even today as they are fully aware of Jewish influence on American politics, media and finance.

President Truman, however, did not recognise Israel as a Jewish State. He cancelled the words "new Jewish state" and put "state of Israel" there. This means even USA did not recognise Israel as a Jewish State. Probably this is why President Obama once said the Palestinians need not recognise Israel as a Jewish State!

Beginning with the immigration of 100,000 Jews into Palestine, immigration continued and ultimately a state of Israel was created within the land of Palestine. Israel then turned out to be the sole authority to decide whether there should be a state of Palestine at all! How unjust the world is!

Peace negotiations with the Israelis have always been illusive, even meaningless. While negotiations continue, Israelis go on grabbing more Palestinian land.

Even US could not persuade Israel to return to the negotiating table though a lucrative package that included latest military equipment worth \$3 billion was offered. The US, in its offer, even excluded East Jerusalem, which obviously was not acceptable to the Palestinians.

Earlier, Netanyahu himself was against a Palestinian State, but he agreed later, apparently after President Obama personally intervened. Presently, Israel's ultra-rightist government stands in the way of any settlement freeze that could lead to some kind of direct negotiations.

Apparently being fed up with Israel, the US appears to have now taken a different strategy to deal with Israel. The US will probably help the feuding parties to carry on indirect negotiations to create some kind of understanding on major issues. In the meantime, it is expected that all countries around the world will recognise the State of Palestine within 1967 borders.

The US then may be able to persuade Israel to accept the reality of recognition by the world community and ask it to sit with Palestinians to set the final borders, if necessary, through some adjustments along the Green Line that divides East Jerusalem and West Jerusalem.

I visited the Green Line area of Jerusalem some time ago and observed that some settlements encroached on considerable areas of East Jerusalem. It might be possible for the Palestinians to cede some parts of this area there provided they are compensated by Israel by more land elsewhere around East Jerusalem, which should be the capital of the State of Palestine.

This sort of strategy may put the US administration in a politically advantageous position both at home and abroad. US would not have to ask Israel for any more freeze on settlements as indeed all settlements beyond 1967 borders would be illegal.

The Israelis in those settlements would either have to move to Israel as they had done earlier from Gaza, or they will have to accept Palestinian citizenship. The option would be theirs. Other issues can be directly negotiated without much difficulty after the border is set.

This will be good for Israelis as they will then have a state with definite border and will qualify to be fully recognised by all states including the Arab States. Recognition by all Arab States would end resistance and ensure Israel's security.

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Community participation motivates learning

The project is aimed at attainment of proficiency by slow learners, making them school-oriented through joyful learning, ensuring quality education, and implementing co-curricular activities through extra classes taken before and after school hours with participation of guardians and local people.

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IT was an honourable moment for the headmaster of No.103 Taltoli Government Primary School, Md. Nurullah, when his school came first in model test of Primary Terminal Examination in Telihati union of Sreepur upazila in Gazipur district.

The school attained the outstanding result following introduction of a novel innovative project in January, 2010. Discipline came back to the school, which was once a mediocre one. Moreover, dropout rate decreased by 100% and attendance also increased sharply, the headmaster said.

At the personal initiative of the headmaster, slow learners including school dropouts were identified. He also arranged scholarship for a very poor school dropout who had scored excellent marks. The headmaster contacted the parents and told them about the community learning programme for meeting special learning needs of dull students. Being motivated, their parents involved their children in the special programme. All the participants have benefited through the extra classes held before/after school hours.

A total of 8,837 learners have been brought under the Improvement of Quality Education-IQE Project in 60 primary schools of Sreepur. At the initiative of Dhaka Ahsania Mission (DAM) and active cooperation of Plan Bangladesh, its activities began in Razabari, Prohladpur, Goshinga, Maona, Telihati and Gazipur unions in 2005. The project is now progressing in cooperation with local government, education department and local community.

The project is aimed at attainment of proficiency by slow learners, making them school-oriented through joyful learning, ensuring quality education, and implementing co-curricular activities through extra classes taken before and after school hours with participation of guardians and local people.

The objectives are being implemented through several activities. For example, education is being imparted to 2,309 weak learners of classes 1 and 2 in 71 centres of 29 schools by community teachers through extra efforts given before and after school hours. In the same manner, 748 weak learners of classes 3 and 4 of 29 primary schools are being imparted education under camp learning programme.

Learners are also being taught by teachers in a joyful learning manner to ensure primary health education, cleanliness, and flourishing of their talents through sports and cultural activities. Efforts are being made to instill leadership qualities in learners to awaken their patriotism and sense of responsibility.

Various days are being observed and school development programmes are being implemented by holding guardians' meetings and employment of community teachers. This year, Reading Guarantee Initiative (RGI) programme is being implemented in 10 selected schools for attainment of proficiency of weak learners so that they can read and understand their textbooks properly.

Plans are being formulated for overall development of schools following discussions with local people, guardians, school management committees, schoolteachers, students, local patronisers of education, UP leaders and other beneficiaries. They are known as School Improvement Plan (SIP). This is consistent with the government's School Level Improvement Planning (SLIP) Programme, which is now under process of implementation in 129 upazilas.

First, the necessity of SIP is discussed with the School Management Committee, schoolteachers and local people's organisations. Next, there is a meeting of the School Management Committee, Rural Development Committee, schoolteachers, learners and local patronisers of education. A decision is taken in principle through a resolution for communicating to Dhaka Ahsania Mission. Following this, an overall decision for implementation of the work plan is taken with the aforesaid people in the month of December. Accordingly, the programme activities begin.

Community Learning Centres (CLCs) have been formed where dailies, monthlies and quarterly magazines are being supplied regularly to create learners' reading habit and help make a congenial educational atmosphere in schools and surrounding areas. There are 26 CLCs in four unions under IQE Project of Dhaka Ahsania Mission, with 862 readers.

Because of these initiatives, quality of primary education is improving gradually.

The Plan's Programme Coordinator-Quality Primary Education Md. Saydul Huq said that educational, health and environmental development has been ensured due to formation of various "ministries" in the school. The school children themselves run the "ministries" efficiently, he said. IQE Project Manager of Dhaka Ahsania Mission Md. Jahangir Hossain said that the novel project had succeeded because of spontaneous participation of the community.

No.2 Gazipur Union Parishad Chairman Alhaj Md. Abul Hashem highly appreciated the activities of the IQE Project. He proudly announced that the standard of education in his area improved significantly after intervention of the project. With several mentally retarded children, the rate of admission in schools is about 100%. The IQE Project can be called a model for raising the standard of primary education.

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