Politics of the Poor? NGOs and Grass-roots Political Mobilization in Bangladesh

Given the corrupting influences of the traditional political process in South Asia, Indian political writer Rajni Kothari has proposed doing politics without alignment to any political party. Kothari describes this as the "non-party political process (NPPP)" and as an "attempt to open alternative political spaces outside the usual arenas of party and government though not outside the state" and "as part of a search of new instruments of political action when vacuums in the political space are emerging" (Kothari 1984:219). Kothari offers a constructive space for imagining collective action for social change. His work resonates with the new political processes actually emerging in the work of non-governmental organizations, the NGOs. But although this process opens new possibilities for change, it is beset by its own problems and contradictions, which I will identify in this paper.

In Bangladesh, the social mobilization NGO (Proshika Human Development Forum) has occupied the rhetoric of "non-party-politics" and undertaken the organization of the poor (households that live below the Bangladeshi poverty level and own .5 acres of land or less fall into the category of poor) into a "grassroots political mobilization" both at the local and national levels. In the 1990s, Proshika, under the auspices of the largest NGO umbrella organization in Bangladesh, the Association of Development Agencies in Bangladesh (ADAB), organized public demonstrations of its members for the distribution of government land and for a pro-poor budget, successfully sponsored NGO women members in village level elections, and increased the participation of poor women in public rallies. Two decades ago, left parties in Bangladesh would organize such rallies and advocate land reform. At the turn of the twenty-first century, such events are organized by indigenous NGOs that are funded by Western donors.

This takeover of oppositional political processes by the NGOs in the 1990s coincides with certain global processes and studying it offers some insights into these emergent global trends and into their effects at the local level. First, this occupation of the political sphere by the NGOs coincides with the call for a global civil society advocated by the United Nations, The World Bank, and other international governing bodies. A fundamental premise of this new global governance is that third-world governments are corrupt, inefficient, and incapable of delivering many of the needed social and economic development services to their citizens. From this premise follows the suggestion that many of the functions traditionally reserved for the state should be taken over by the NGOs, which are considered to be better able to provide services to the poor (United Nations 1999:94). Another important aspect of this "grassroots social mobilization" is the targeting of poor women as subjects for social and political empowerment by NGOs. This policy focus on "third-world" women coincides with the post-Beijing globalization of the idea that women's issues are human rights issues (Dorsey 1997:343). Occurring as they do in the post-Cold War era, these changes insert a new actor, the indigenous NGO with transnational links, alongside the more traditional left oppositional parties, into the political sphere. On the ground, this development marks a shift in oppositional politics from a
struggle against capital with the working class as its agent to a struggle for democracy and women's rights with an amorphous and diverse group of women, children, landless farmers, and indigenous people as its constituency. This NGO-led politics of the poor takes the Doctrine of Universal Rights as its manifesto for establishing social justice.

Below I offer an analysis of how and why the NGO-led politics of the poor has come to occupy “vacuums” in the political sphere in contemporary Bangladesh, and of how it concretely plays itself out in the lives of the poor, particularly the poor women, it seeks to empower. The welfarism and advocacy of the NGOs straddle several contradictory and competing forces. The intention to help the poor often gets entangled in and constrained by market forces, donor mandates, state policies, national politics, and local power structures. Working in the context of these competing and at times contradictory forces, NGOs have increasingly resorted to “credit” (the extension of small loans for microenterprises) in the 1990s as a strategy for economic and social development, targeting, above all, women as beneficiaries. Credit, however, is a most powerful dynamic in the relationship between the NGO and its poor beneficiaries, for it represents the ability to restructure people’s lives and choices through debt relations, and, as is well known, debt relations are relations of dependence. This power dynamic subjects the poor to mandates of the NGO that are often in conflict with local norms, and it sometimes creates new opportunities of violence against the very people (poor women) the NGOs seek to empower.

I analyze the NGOs’ reshaping of the political (and social) order through two primary questions. First is the question of the relationship between the state and the NGO called Proshika. A social mobilization NGO, it works within the bureaucratic structures of the state by contesting in local elections, proposing bills and budgets to protect the poor, and demanding that the legislature, the courts, and the police protect the rights of the poor when those rights are violated. On a national scale, the NGO needs the cooperation of the state to implement its development programs, but cooperation in this context also means the co-optation of the NGO by the state. In the post-democracy period in Bangladesh, national parties court the NGOs for the large rural vote banks they control. The state and the NGO thus exist in a lattice of mutually overlapping and intersecting interests, and each needs the other to reproduce itself.

The second question is about the relationship of the NGOs to their poor “beneficiaries.” Based on long-term work in the rural areas in education, microcredit, healthcare, and family planning, NGOs have developed networks of social and economic dependencies through which they have tied the lives of the poor with the maintenance of the NGO. Stuck between an indifferent state and an entrenched rural power elite, the poor villagers depend on the NGOs for a variety of services; foremost among them are the microcredit delivery programs of NGOs. Traditional moneylenders do not lend to the very poor, who are the target groups of the NGOs. Commercial banks also do not lend to the poor, who lack physical collateral. Thus these micro-lending NGOs have become the only source of capital for the financially strapped poor people. This financial dependency has enabled the NGO to bring the rural poor into new structures of subordination, altering existing codes of conduct for rural women, and subjecting them to their own political work and priorities. This relationship with the poor allows the NGO to inaugurate itself as the friend of the poor. Through rallies and other gatherings, the NGO speaks for the poor—but careful consideration will show that this voice is the voice of the patron—in a patron-client relationship.
To the reader who assumes that the left should be the ally of the poor, it may appear odd that the NGO and not the left has come to occupy this critical role in society. Although I discuss this point in greater detail in my forthcoming dissertation, a few words are nonetheless possible here. In Bangladesh, the left remained trapped inside a programmatic deployment of Marxist categories of class relations, the revolutionary working class for example; but, in a country that is eighty percent peasant and nonindustrialized, this approach failed to offer any creative solutions to the problems facing the poor. Furthermore, issues of class struggle became entangled with issues of Bengali linguistic and cultural nationalism which began in 1952 and culminated in the freedom struggle against Pakistani domination in 1971. Many of the ideologues of the leftist parties in pre-independent Bangladesh, for whom nationalism was not the real revolution of the working class, failed to appreciate the importance of these cultural and political forces. In comparison to the left, the NGOs have been far more innovative in their relationship with the poor.

**Bangladeshi NGOs in the Global Economy**

The 1992 Earth Summit in Rio strengthened the role of the NGOs by globally inaugurating them as the allies of marginalized groups worldwide and institutionalized them into a greater partnership with the United Nations, the World Bank, and world governing bodies through a series of programs and summits. Commenting on this capacity of the NGOs to do good work, UN General Secretary Kofi Annan in his speech at the Global Issues Forum in Berlin said that the *raison d'être* of many NGOs is to put pressure on governments and to “hold their feet to the fire.” In speaking of the important role of NGOs in the twenty-first century, Annan went on to add:

> We have entered an era of even greater diplomacy where there are few limits to what civil society can achieve. . . . I think it is clear that there is a new diplomacy, where NGOs, people from across nations, international organizations, the Red Cross, and governments can come together to pursue an objective. When we do—and we are determined, as has been the case in the landmines issues and the International Criminal Court—there is nothing we can take on that we cannot succeed in, and this partnership of NGOs, the private sector, international organizations and governments, in my judgment, is a powerful partnership of the future.

NGOs did not come to occupy this role by accident. Their long-term grassroots work in communities has converged with the interests of the United Nations and the Western countries to form a global government that transcends the nation-state and has the authority to implement global rules and regulations (WTO and CEDAW regulations, for example) within the nation-state. As Annan's comments show, this new global alliance has the indigenous NGO as a partner that works inside states to protect the interests of marginalized groups. The local NGO lobby in the developing country can, through its transnational linkages, bring internal tyranny, oppression, and injustices in front of a global body (the Hague, for example). However, such transnational advocacy also weakens the powers of the nation-state, making it more vulnerable to global forces and mandates. According to some critics from the left, such NGOs are the “community face of neoliberalism” (Hardt and Negri 2000:313). They are complicit with global capital in that while international capital puts pressure from the outside, NGOs work from within to undermine the powers of the state.
Where do Bangladeshi NGOs fit into the global structure of the NGO movement? A 1996 World Bank Report called Bangladeshi NGOs "one of the most effective agents of change in the 21st century" (World Bank Report 1996:5). NGOs in Bangladesh service over twenty-four million people in seventy-eight percent of the 65,000 villages in the country (World Bank Report 1996:5). They cover a wide spectrum of ideologies from modernist to free-market to feminist to Islamist and they offer a wide array of services from reproductive healthcare to microcredit to non-formal primary education to voter education. Bangladeshi NGOs have made impressive strides in microcredit, non-formal primary education, child immunizations, diarrhea preventative saline formulas, sanitation, reproductive healthcare, potable water provisioning, and voter education, for example. However, Bangladeshi NGOs are best known for their work in microcredit made popular by the Grameen Bank, the poster child of the World Bank and the United Nations.

With over 2.3 million borrowers of whom ninety-four percent are women, and a much celebrated ninety-eight percent rate of loan recovery, the Grameen Bank has provided the world financial community with the following seductive information:

a. The poor have debt and the poor pay their debt.
b. The poor are willing to pay a high price for their debt.
c. The Bank should go to the poor.

It should be mentioned here that this "ninety-eight percent rate of return" does not tell the reader how the money is recovered from its poor borrowers. In my research I found that the money is often recovered through intimidation, force, and violence against poor female members. I discuss this point in a subsequent section.

The Grameen model has provided data for the replication of microcredit on a global scale. At the 1995 Beijing Conference on Women, the Bank was upheld as a model for the economic empowerment of women to be replicated globally. Following the Summit, the World Bank opened the Consultative Group for the Assistance to the Poorest (CGAP) to assist in the replication of the Grameen model and to provide more credit to the poor in developing countries. In 1997, the Microcredit World Summit was held in Washington, D.C. where the Grameen model was again the centerpiece of discussion. The key resolution at the Summit was to provide microcredit to 100 million of the world’s poor, and especially to poor women, by the year 2005.

By promoting a minimalist approach to credit—the borrower knows best—Grameen Bank has introduced ideas of self-help, individualism, and small entrepreneurship into the development community. Add to that the image of a poor Bangladeshi woman who, with only the Bank as her ally, transforms her life and becomes a small trader selling chickens and eggs. The Grameen approach promotes the neoliberal philosophy of a rolled back state by stressing that the individual knows best and is responsible for herself. It is no coincidence then that the Grameen Bank begins to get considerable attention from the world community in the late 1980s when privatization and neoliberal ideas of the state also gain ground globally.

NGOs in Contemporary Bangladesh

Through their programs and links to Western donor nations, NGOs continue to play a very prominent role in national politics. It is important to add here that I do not analyze the current national politics in Bangladesh which is played out between the two major political parties, the
Awami League (AL) and the Bangladesh Nationalist Party (BNP). With over 1,200 directly foreign funded NGOs and with 13,000 registered NGOs, Bangladesh has emerged on the development map as the "NGO capital of the world." The trend to funnel donor money through the NGOs is very evident in Bangladesh. Most of the financing to NGOs comes as grants-in-aid (World Bank Report 1996:43). Figures from the NGO Affairs Bureau (NGOAB) reveal that between 1990 and August 1998 the cumulative amount of foreign funds disbursed through the Bureau stood at Tk.1,364,421,079 for 5096 NGO projects. When the Bureau was first established in 1990, its annual disbursement stood at Tk. 217,169,685 for 8 projects. (Tk.=Taka, the unit of currency in Bangladesh.) In 1994–95, twenty percent of foreign funds earmarked for public investment was disbursed through NGOs (World Bank Report 1996:6). In 1997, the EU channeled twenty-five percent of its aid to Bangladesh (480 million ECUs) through the NGO sector.

It is evident from the above that NGOs in Bangladesh are highly dependent on donor funds for the sustainability of their projects. It is important to note, however, that foreign aid is channeled through the large NGOs. A 1992 study revealed that only 30 large NGOs in Bangladesh get eighty percent of the total foreign funds given to NGOs and of that sixty percent was controlled by the eight largest NGOs (BRAC, Proshika, CARITAS, CCDB, ASA, Gano Shahajya Sangstha, Nijera Kori, Ganoshasthya Kendro) (World Bank 1996:45). Such visibility, resources, and support from Western donor agencies give the leading NGOs tremendous power to effect changes in the lives of most people they work with. This funding structure has created a pyramid structure within the NGO community, leaving the large bulk of the smaller NGOs dependent on the largesse and growth of the ten or so large NGOs. From a donor perspective channeling money through a few dedicated NGOs maintains a streamlined and rigid structure of accountability. This ability to control such large quantities of money has allowed people associated with the ten largest NGOs to become a new class of social elites.

In a country with a very high unemployment rate, the leading NGOs offer the promise of jobs to the youth and the educated middle class. It is estimated that these NGOs employ 200,000 young men and women as fieldworkers. The NGOs have also introduced some novel ideas into rural communities. NGOs recruit college-educated men and women to work at the field level. In contrast to the government bureaucrat who seldom goes for field visits, the educated NGO worker comes in daily contact with the villagers, visiting them in their homes. According to Hashemi, "this going to the poor breaks down some of the threatening distance between the urban educated and the poor, that is so much a part of rural social stratification" (Hashemi 1997b:4). In reality, it introduces a new power elite into the existing dynamic of rural social relations. This power elite symbolizes the onrush of modern ideas and capital into the rural economy. BRAC and Proshika have also introduced some radical ideas about women in rural culture. Women fieldworkers of these NGOs ride bicycles and motorbikes to work in a traditional Muslim society where the public conduct of women is still strictly regulated. Compared to the NGO bureaucrats working in Dhaka, the NGO fieldworkers have an unenviable position. They work six days a week with only one day off. Their day usually begins at 7:00 a.m. when they have to report for work. The work day normally stretches well into the night, often until 9:00 or 10:00 p.m. Most of the fieldworkers I interviewed said that the only reason they worked for the NGO was because of the "specter of unemployment."

Another group of key people inducted into the NGO structure are local research consultants, the producers of "scientific" knowledge. University professors and researchers who work as...
consultants on NGO projects enjoy considerable privileges in a materially impoverished country. In fact, working as a consultant on an NGO project is a source of much needed additional income for middle-class people. Salaries of university professors cover the costs of minimal living standards in Dhaka. NGO income provides one with access to better housing, healthcare, private schooling for children, automobiles, that is, to all the accoutrements of status in a poor country. The “professor as NGO consultant” situation has become so serious that the authorities of Dhaka University issued an official warning to professors who spend their time as “consultants” on various NGO projects instead of discharging their duties to the university.\footnote{15} For example, one of the leading NGO research institutions gave a local university professor one-year project funding for US$15,000. The annual salary of the university professor was US$3,000. These lavish contracts function as a way of creating, and at the same time cementing, new dependencies between the NGO and a cohort of local consultants.\footnote{16} It must be mentioned here that these figures pale next to what Western consultants earn who often have neither local language skills nor cultural familiarity, but who nonetheless pass off as “experts” by virtue of being citizens of the grant-giving donor nation. It is really the donors who seek such poverty research monographs and create a new need for knowledge about the poor (BRAC Research 1998; Doriddo Gobeshona Sharangsho 1998). All the leading NGOs—BRAC, Proshika, and Grameen Bank—have their own research institutions. They pay local NGOs handsomely to do so. The donors, in turn, need such data about the efficacy of different aid programs to justify to their governments the ongoing need for grants to Bangladesh. Within the development industry, the sustenance of the donor community depends on the continuance of these grants to the developing countries.

A new group of people becoming inducted into the NGO structure are high-ranking government bureaucrats. In the 1990s the World Bank, Asian Development Bank, and several Western donor agencies began to foster government–NGO relations in all sectors of the economy locally. One such partnership is the GO-NGO Consultative Council (GNCC). GNCC is a group that facilitates “better understanding” and “complementarity” between the government and the NGO sector (Dutta 1999). Through GNCC, large NGOs (BRAC, Proshika, and others) have set up liaisons with the government by rotating government officials on two- to three-year deputations at the NGO headquarters. This liaison resolves conflicts arising between the NGO and the state. These officers enjoy all the perks of high-ranking NGO bureaucrats, including handsome salaries, company cars, and travel to donor countries to attend meetings and seminars.\footnote{17} In fact such close collaboration makes one wonder if Kofi Annan’s comment “the raison d’être of the NGOs to hold the government’s feet to the fire” has in this context changed into a golden handshake between the government and the NGO establishment.

The result of such NGO patronage is that it can tie up the future and livelihoods of a key group of people—academics, college-educated youth, and, more recently, government officials, who would have been their most likely critics—into its own maintenance and reproduction. This induction of the educated middle class into the NGO circuit is an unexpected conjuncture between the growth process of an institution in need of English-educated talent and a country with a small group of English-educated people.\footnote{18} Moreover, the structure of social dynamics in Bangladesh, which is kin-based and face-to-face, makes it difficult for criticisms of NGOs to emerge in the urban research spaces. In such societies manners are a way of conducting
business, embarrassment is generally avoided, and people do not openly criticize those on whom they have to depend on for future favors.

While the NGO establishment has been able to induct certain groups of people into its structure, there is nonetheless a growing and robust critique of the activities of NGOs among people who are left-identified, students, and those professionals (doctors, engineers, business people, teachers) who are not part of the NGO network. Among the complaints of these critics are: that the NGO bureaucrats are not elected representatives of the people; that their operations are not transparent; that they do not pay taxes to the government although many of them have profitable commercial enterprises; that they are beholden to their financial sponsors who happen to be Western industrialized nations, and thus, even if well intentioned, their programs are straitjacketed by the demands of their sponsors.

History of NGOs

In 1972, war-torn Bangladesh faced the heavy task of relief and rehabilitation. Prior to independence in 1971, most of the NGOs were Christian or foreign-based voluntary organizations. In the post-independence phase, indigenous NGOs such as BRAC, Proshika, Ganoshastho Kendro (GK), Gono Shahajya Sangstha (GSS, now defunct), Nijera Kori, Grameen Bank, and the Association for Social Advancement (ASA) began to grow. In the aftermath of the war of 1971, the government faced the formidable task of resettling at least ten million people with the physical infrastructure of the country in shambles. The departing Pakistani army had blown up bridges, highways, and rail tracks, thus disconnecting various parts of the country. The developmental NGO occupied this infrastructural vacuum and began its work in charitable reconstructive efforts. Its ethos came from a missionary sense of “doing good” for the poor—landless and marginal farmers, women, and children—combined with a sense of patriotism. The real growth and expansion of NGOs occurred during the 1980s under the military dictatorship of General Ershad. In the 1970s and early 1980s there had been a rise in secret societies and left politics in Bangladesh. By supporting the growth of the NGO establishment, General Ershad effectively bifurcated the left by introducing a resource rich organization to work with the poor. The left and the NGO sector both fought over the same clientele, the rural poor. In fact, one of the top NGO leaders in Bangladesh, Dr. Zafarullah of Ganoshastho Kendro is reputed to have said, “Now we NGOs can do the job. We do not need the left.” Many former cadres of the communist parties joined NGOs as a way of helping the poor. A former communist party activist who had done grassroots political organizing in villages said in an interview, “During this time we had constant fights with the NGOs. We would go to the villages and find out that the NGO workers had urged villagers not to come to our meetings. NGOs did anti-left propaganda. They would tell villagers, why go to them? What can they give you? Thus instead of fighting the military state, we fought the NGOs who we saw as depoliticizing our work.”

By establishing a good working relationship with the NGO sector, General Ershad attempted to legitimize his rule as a benevolent dictator. He courted the NGO sector as a countervailing force to the major nationalist political parties, BNP and Awami League, that opposed his party (Jatiya Party) and military rule on the one hand, and the left parties on the other. By doing so, he also satisfied the demands of the donors by allowing the NGOs to carry on relief and rehabilitation efforts quite unhindered. During Ershad’s rule the routinization of NGO opera-
tions began. In 1990 he opened the NGO Affairs Bureau (NGOAB) to oversee the flow of foreign funds to NGOs.

However, by 1990 the NGO lobby shifted allegiance away from Ershad and formed an alliance with the national political parties (Awami League and Bangladesh Nationalist Party) that were trying to oust him from power. This shift in alliance coincided with the new policy agenda of donors that now favored trade liberalization and democratic governance (Feldman 1997:59; Lewis 1997:36). The emphasis on “good governance” opened up a vacuum in the political space that the NGOs could occupy as the “allies of the poor.” This shift in donor emphasis as well as changes in national politics offered them an additional site of action—the local political structure. In contrast to the 1980s when they fought the rural power structure on their own, in the 1990s NGOs could depend on support from donors interested in good governance issues (USAID, CIDA) and from the national parties that see NGOs as huge vote banks. The transition to democracy also resulted in the open politicization of NGOs and bifurcation of NGOs along national party lines. In spite of registration laws that do not allow them to participate in politics, the NGOs have become increasingly political, even if it is true that there is no unified vision of what the role of NGOs should be in national-level politics. Proshika advocates a proactive political role for NGOs, terming it as a duty of NGOs to help the poor in their struggle against rural oppression and disenfranchisement. In 1997 Proshika/Nijera Kori formed an institutional alliance which sponsored 44,138 women candidates for 12,894 Union Council seats and 12,822 of these candidates won (Adhuna 1997:19) The Union Council is the lowest tier of government at the village level. Each Union Council has nine members; three of those member seats are reserved for women candidates. This huge win was rendered in the press as a triumph of the feminization of rural power structure.

On the ground, however, such triumphs have very different resonances. In my study area, I interviewed four Proshika-sponsored women who had successfully run for public office. Fearing a loss of power, their husbands had asked their wives to run for local political office under Proshika sponsorship. I also met several men who had joined Proshika in 1996 to use its resources to run in the upcoming Union Council elections. All of these women and men were middle-class people who had joined the ranks of the NGO to improve their lives both materially and politically. These people representing the rural power structure were creative in appropriating the goals of Proshika for their own political purposes. It remains to be seen how these compositional changes affect rural power structures in the future.

Politics, Credit, and Emergent Identities

The four leading NGOs—Proshika, BRAC, ASA, and Grameen Bank—all work with micro-credit. As mentioned earlier, debt is a powerful dynamic in culture because it creates relations of dependence. Debt also links the present and future together. Present behavior determines future payoffs. Restructuring local social relations through debt relations has had adverse effects on the ability of the poor to fight NGO-imposed conditions that often go against local norms. Stakes in dependent social relations that are market-driven can and do erode other forms of political expression.

Speaking of this trend, Professor Badruddin Umar, the party leader of Bangladesh Kheth-Majoor Union (Bangladesh Agricultural Workers Union), said,
NGOs provide employment; they do not generate employment. It is not that kind of process. . . . It exploits the situation of unemployed youths in our country and creates conditions that do not allow for other forms of recruitment, political recruitment for example, from occurring. To rural people, they (NGOs) preach a kind of economism instead of a political progressive consciousness. Their goal is the extension of credit instead of industrial development. In this way, political outlook is hijacked. Rural people say to us, political party organizers, "NGOs give us money, what will you give us?" When I go to the villages, I tell people I cannot give you money or loans. I can tell you of ways in which you can improve your conditions. That's not much anymore. People are now disinterested in hearing such talk.22

While I was in the field, local villagers would often ask me whether I represented an NGO and had come to give them reen (loans). In my eighteen months of research, not a single person once asked me if I were going to open an NGO school or provide them with healthcare, sanitation, or organize them into groups for training. Such anecdotal evidence goes to show to what extent loans have become associated with NGO work in the lives of local people, and how credit has come to govern their world of imaginative possibilities.

There are both practical and ideological implications of this widespread work in credit/debt-based programs. The program model of group formation ties individual behavior with group responsibility. Failure to pay a loan on the part of any member results in the NGO putting pressure on the group, either by withholding future loans or by forcing the remaining members to pay up for the defaulting member. In turn, the group members put pressure on the defaulting member and force her to come up with the money even if it means selling her possessions and in extreme cases selling off her house to pay for the loans (Karim 1998; Rahman 1999). It is a vicious cycle of pressure emanating from a closed circuit of dependent relations and offering no way out to the defaulting member. In my research I found that ninety percent of the loaned money went to the men. Women usually default when their husbands, who are the end users of loans, cannot pay their installments due to sickness, theft, business failure, or a natural calamity. The women are the bearers of credit although not its users. The NGO uses a woman's social vulnerability—her powerlessness to fight them or to run away from the village (the way a man can)—to recover money. In every meeting I found four or five members who were unable to pay their loan installments. As a result, the prevailing situation among group members is one of strife and not one of solidarity.

Many NGO field-workers who force the women to find means of recovering money are deeply uncomfortable about their role in masterminding these conflicts, but they see no way out of the situation. Below is a comment from a manager of a leading NGO in the area in which I conducted my research.

I joined the NGO to help the poor. But are we helping the poor? No, I don't think so. We are committing juliun (oppression) on the poor. I don't see any improvement among the poor. When they cannot pay their loans on time, we force them to pay up even if they have to sell possessions, sometimes even taking the rice from the mouths of their children. Once in a while I help them from my own pocket. It is against NGO regulations. But what can I do? If I could get another job, I would give this up in an instant. I am here because of unemployment.23
Microcredit, by providing inputs to the individual, creates the out-of-the-home worker. The lending process isolates women as individual entrepreneurs and introduces competition, self-interest, and individualism into their networks of social relations. Those women engaged in income-generating projects (e.g., chick rearing) do not think of themselves as laborers but as owners of petty capital. For example, when I interviewed these women about the costs of production, they did not include their labor time as part of the cost of production. Credit relations has the capacity to mystify the real relations of capital ownership. But, as already stated, failure to keep up the loan payments results in the confiscation of goods by the NGO, leaving these women worse off.

Another effect of microcredit is the reproduction of usury in culture. In my research area I found that fifty percent of women borrowers of microcredit who lived close to the market, usually lend out the money to small traders at a rate of 120%, which is the going rate for the village moneylender. In one of my study villages, 100 households out of 230 NGO beneficiary households were engaged in moneylending. The small traders need cash capital, and they can invest it in a productive base. In the rural economy, there are few opportunities to invest and poor women do not have the skills or access to markets or other institutional structures that would enable them to invest in a productive base. Money lending becomes a smart option for women, because they can lend without leaving their homes. Among women this activity is not considered as “shudh” (moneylending) but as “taka khatai” (we invest money). Money is seen as an investable commodity and not just as a means of commodity exchange. Before the onrush of microcredit, taka dhaar (to loan money without interest) was a common practice in the villages. The lender knew the borrower and would extend loans based on social knowledge. These were usually small sums of money. Now social relations are mediated through relations of power negotiated through debt. Such extensive moneylending through formal NGOs and informal borrower lending structures has resulted in making NGOs less willing to advocate social justice issues that conflict with community norms because they do not want to hurt their moneylending business. The NGO beneficiaries are also less willing to engage in political activities that may disturb the status quo because they are in debt to others. But as the following example shows, women are quite powerless to fight the NGO when it seeks them out as targets of social mobilization programs.

Proshika, however, has taken a different approach from the other credit organizations in this respect. Since 1997 it has taken an active role in promoting a politics of the poor. In this emergent NGO-led politics, the struggle against poverty and social justice becomes a struggle against militant Islamic groups. Proshika, which has a close relationship with the party in power, Awami League, conducts this politics under a nationalistic discourse called shadhinatar juddher chetona, a politics geared towards establishing the promises of the independence struggle of 1971. The following section reveals the limitations inherent in such a rhetoric.

The Deployment of Poor Women as Political Subjects

On December 7, 1998, between 8,000 and 10,00024 poor women and men who were members of Trinomul Sangathan (the grassroots organization of ADAB which is now controlled by Proshika) marched into Brahmanbaria town around 12:45 p.m. to attend a rally ostensibly to commemorate the spirit of the war of independence of Bangladesh. The sponsors of the rally (Proshika/ADAB) had originally planned a mela (fair) that would feature patriotic songs, a puppet show, rural handicrafts, and vegetables. The clergy of the local madrassah, the Jamia
Islamia Yunusia Madrassah, had repeatedly warned Proshika that a rally of "nogno women" (nogno means bare, here bare means baring it all without shame or modesty) would not be allowed in Brahmanbaria and threatened carnage and mayhem if they dared to do so. According to the madrassah clergy, women's rallies are un-Islamic and the commingling of non-kin men and women is strictly forbidden in Islam. The clergy also objected to a puppet show, which they considered to be a form of idolatry.

As the conflict between Proshika and the local clergy over the right of women to participate in a public rally intensified, the local administration sided with the clergy and declared a ban on any rallies in town. For reasons unknown, the Proshika leadership under Qazi Faruque offered a direct challenge to the clergy. Faruque, along with top women NGO bureaucrats, led the slogan-chanting procession of 8,000 women and men into town. They went past the madrassah and congregated at a local college ground. Soon youths and clergy belonging to the Yunusia Madrassah attacked the rally with stones, sharp sticks, and knives. They tore down the stage, chased away the bureaucrats, beat and publicly humiliated the women attendees. They tore off their clothes and verbally abused them. For a day and a half total lawlessness reigned in the city. Hordes of men carrying knives, Chinese axes, and sharp sticks roamed the streets burning and looting NGO and commercial property. They burned BRAC, Proshika, and Grameen Bank offices, and torched BRAC and Proshika schools. Homes of at least 200 NGO members were looted and burned.

When many of the assaulted women returned to their villages, their husbands/families refused to take them back because they had been touched by other men. When they could return home, they were subjected to taunts and physical abuse. These women were triply violated: once by the clergy, then by their community, and finally by Proshika, which had failed to offer them any protection.

The motivations of the clergy are not the focus of this paper. It should be noted though that as the guardians of Islamic laws and morality in Brahmanbaria, they could not let a rally of women right in front of their madrassah go unchallenged. For purposes of this paper, I want to consider the motivations of Proshika. Why did Proshika hold the rally when they could not guarantee the safety of the poor women assembled? For Proshika the conflict was reduced to a management issue, a technical issue of how to forecast and manage such conflicts in the future. In the aftermath of the conflict, Proshika, through ADAB, held conferences and seminars on the rise of Islamic fundamentalism and called this event a "social disaster." ADAB officials informed me that other social ills—black-marketing, killings, cheating on national exams—do not fall under this category. This category "social disaster" targets Islamic militants who stand in opposition to the NGO's way of doing things. In the public forum, Proshika leadership interpreted the Brahmanbaria incident as an attempt by militant Islam to threaten secular forces in the country and to establish a Taliban-style government in Bangladesh. While the first point is true, there is little evidence to support the second point. Most Bangladeshis say these Taliban conspiracy tales are manufactured for Western donor consumption and they dismiss them as "nonsense." This storytelling of Islamic militancy is a powerful rhetorical device to find sympathetic allies within the donor community at a time the West has discovered Usama Bin Laden and the Taliban as the forces of evil. Not surprisingly, the Canadian Aid Organization (CIDA is the primary sponsor of Proshika) lauded Proshika as a stalwart fighter against "Islamic fundamentalism."
In this strident NGO rhetoric of democratic rights of the poor, it was forgotten that the poor women in question were not fully informed and willing agents of such actions. Through their entrapment in debt relations to Proshika, they were forced to attend this rally. I interviewed about twenty women who had attended the rally. These women did not know of the controversy surrounding the fair, nor were they told that the fair had been changed to a rally, and had they known of the fatwa they would not have attended. The women said they went to the rally because they were obligated to by Proshika and feared the “loss of future loans,” and they wanted to see the “puppet show.” They also said that they “went to see Faruque Bhai and other important people from Dhaka.” The husbands of these women and several male community leaders noted that “Proshika has no business taking our women to marches.” Many of these husbands asked their wives to go to the rally because they feared the loss of loans.

What did the fair mean to these women? It meant a day off from the daily grind of their lives. Going to a fair becomes a special day when they can put on nice clothes, watch puppet shows, and have some time off from their in-laws, husbands, and children. In the clientist culture of Bangladesh, rich and important folks coming to visit them is an acknowledgment of their importance as people and this must not be understated. As several women said to me, “Rich people are coming to see us, and we will not go. How can that be?” For many of these women the rally was also a darshan—a pilgrimage to pay respects to a holy man, Qazi Faruque, who as the new patron occupied this role in their worldview.

In the late 1990s, the Proshika/ADAB alliance conducted this politics of the poor under the rubric of “shadhinotar juddher cheton” (spirit of the struggle of freedom) and called for an end to “Islamic fundamentalism” in the country. Coincidentally, this new mosaic in NGO politics occurs at a time when the U.S. and the Western nations have discovered the Taliban government as the new threat to democracy in the world. Conflicts between NGOs and the clergy are usually the result of local power struggles and are not part of international conspiracy theories. By conflating issues of social and economic justice with Islam and a nationalist discourse that emanated from the freedom struggle of 1971, such politics gets constrained by the limits of these conceptual frames. Bangladeshi nationalism emerged from the concerns of middle-class Bangladeshis and their struggle against Pakistani cultural, political, and economic domination. This nationalism did not address the needs of rural people nor did it have a well-developed plan of economic transformation. The “spirit of the liberation struggle” in its most utopian ideal was the establishment of a Sonar Bangla—a golden Bengal that existed in some mythical past when Bengal was a land of abundance. By invoking this discourse, Proshika plays into the nationalist politics of Awami League that claims to be the makers of this history of Bengalis’ struggle for freedom. It also uses this rhetoric of the freedom struggle to carry out a frontal attack on the militant Islamic groups in the country. These Islamic groups in varying degrees oppose the work of NGOs, especially in relation to women’s participation in the public sphere. Fighting Islamic militancy on the one hand, and making the ideational framework of the liberation struggle meaningful to the lives of the majority of Bangladeshis on the other, are noteworthy efforts. However, Proshika engages in this nationalism-inflected politics of the poor through its power over the lives of its borrowers and erodes their ability to determine their own stakes in such issues. In doing so, it shifts the costs of social adjustments to the poor, and ends up by using the poor women as shock troops against forces that stand in its way.
The trajectory that the NGO movement has followed in Bangladesh is peculiar to its specific history. NGOs elsewhere will have different stories of empowerment and struggles to narrate. I analyzed here how debt relations introduced through the lending policies of microcredit NGOs have resulted in new instruments of control over targeted groups, such as poor women. Through extensive lending practices, these NGOs have brought poor women into new webs of social and financial obligations. Once inside these networks, it is difficult for poor people to resist because NGOs offer them money and other needed services. Women, who are supposed to be the beneficiaries of NGO programs, are often victimized by NGO policies on multiple levels, from loan repayments to becoming deployed as political subjects to achieve the goals of an NGO leader. In the context of Bangladesh, it is both timely and necessary for such stock-taking of NGO operations to occur because of their ability to invent themselves as the saviors of the poor.

Notes

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1. This paper is based on fieldwork conducted in Bangladesh between November 1997 and May 1999 on the work of Grameen Bank and the three largest NGOs in the country: BRAC, Proshika, and ASA. For all of these NGOs, the credit model is central to their empowerment strategies. Grameen Bank operates under the legal definition of a government bank in Bangladesh but it conceptually functions as an NGO with its own set of specific guidelines. Its borrowers and employees do not have the same rights as the borrowers and employees of nationalized banks. For example, borrowers cannot withdraw savings at any time without incurring fines. Grameen employees do not get overtime pay, enjoy the same number of public holidays, or have the right to unionize.

2. Proshika is the third largest NGO in Bangladesh and works in microcredit, social mobilization, and the environment. In 1998 its membership stood at 1.5 million with an annual budget of Tk. 422,000,000.

3. ADAB is the apex organization of NGOs in Bangladesh. As of 1999 its membership stood at 886.

4. By Western donors I collectively refer to the United States, Canada, the United Kingdom, Germany, Denmark, and Scandinavian and other EU countries.

5. Ninety-four percent of Grameen Bank's 2.3 million borrowers are women.

6. In Bangladesh there is an alliance made up of seven left parties: Workers Party, Communist Party of Bangladesh (CPB), two factions of Bangladesh Samajtantrik Dal (BSD), Sramik Krishak Samajbadi Dal, Samyabadi Dal, and Ganatantrik Majdur Party.

7. Interview with Khalequzzaman, convenor of Bangladesh Samajtantrik Dal.
8. See the websites of the UN and World Bank for a list of NGO related programs.


10. AL is associated with the independence of Bangladesh. Its founder, Sheikh Mujibur Rahman, was the first Prime Minister of the country. He was later assassinated in a military putsch. AL is considered to be a more pro-Bengali nationalist party. The widow of the assassinated military leader, General Ziaur Rahman, leads BNP. Ideologically, BNP is aligned with Islamic nationalism. High levels of corruption, inefficiency, nepotism, ballot-stealing, and banditry characterize politics in Bangladesh and make a mockery of the basic democratic rights of its citizens. Locally, it is called the politics of goonda-giri, that is, the politics of musclemen and rent-seekers.

11. NGOAffairs Bureau figures as of August 1998.

12. GSS is now defunct and exists in name only. Allegations of sexual harassment were brought against its leader, Mahmudul Hasan, who was a leader in the NGO-led civil society initiative in Bangladesh. A donor representative told me that German donors did not like his political work and helped to bring him down.

13. NGOs in Bangladesh vary in size from 23,000 full-time employees (BRAC) to a one-person NGO (Kormojibi Nari). Starting an NGO is an attractive option for people because (a) it has tax-exempt status; and (b) it is a way of making money.

14. Here I collectively refer to the fieldworkers of BRAC, Grameen Bank, ASA, and Proshika.


16. While I was conducting my fieldwork, I had occasion to both witness how such grants are arbitrated and heard of many such perks being distributed by NGOs to their friends.

17. In Bangladesh where travel to foreign countries is prohibitively expensive, the opportunity to travel abroad is a much desired perk.

18. After independence in 1971, in keeping with the demands of Bengali nationalists, Bengali was made the national language of the country and the medium of language instruction was changed to Bengali.

19. In this respect BRAC is a good example. It runs Aarong, a handicraft store, which is a commercial venture. BRAC and Proshika both have commercial presses. These two NGOs have plans to open private universities soon. Increasingly, these large NGOs are taking up multiple commercial ventures for which they do not pay taxes.

20. A good example of this debate was carried in Dhaka Courier in its August–October issues (1989).

21. Interview with Tanvir Mokammel, former communist activist and filmmaker.

22. Interview with Professor Badruddin Umar.
23. Conversation with a manager of a leading NGO.

24. This number is from the Special Human Rights Report written by Advocate Aksir Ahmed of Brahmanbaria. *Samaj Chetona* (a socialist weekly) gives the figure to be around 4,000-5,000. The correct figure probably falls somewhere in-between.


26. This point is based on my conversation with a cross-section of people in Brahmanbaria and Dhaka.

27. While there are many militant Islamic groups in Bangladesh, the *Islamic Oikyo Jote*, an alliance of several parties, is their most formidable opponent.

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