

Social Capital in Microfinance: A Critical Investigation of Bangladesh

Fatema Khatun¹ and Mashudul Hasan²

¹Department of Public Administration,
Shahjalal University of Science & Technology, Sylhet, Bangladesh.

²Researcher, Department of Social Entrepreneurship and Management,
Roskilde University, Copenhagen, Denmark.

Corresponding Author: Fatema Khatun

Abstract

Nowadays, Microfinance is one of the effective tools for alleviating poverty in all over the world. It empowers women, increases standard of living, alleviates poverty and creates social capital. Microfinance institutions also use the proxies of social capital such as bonding, bridging, norms of norms of reciprocity and networks and thus these institutions perform microfinance activities smoothly for attaining sustainable development. This paper is based on a qualitative study and a small-scale field study in Bangladesh. The small-scale field study provided answers to the research question. The methods used in the field were mainly questionnaire that has been attached in the appendix. Primary data is collected through semi-structured interviews. The theoretical framework is based on written literature about Putnam's Social Capital. The results that have been analysed with microfinance and social capital permit the following conclusions: Microfinance puts contribution to increase in standard of living of poor people, empower women and reduce poverty. However, some consensuses are that microfinance is not the effective tool for increasing standard of living, empowering women and alleviating poverty. However, the main purpose of this paper is to analyze the effectiveness of microfinance, especially for increasing the level of income of the deprived people in society that would create social capital and boost the country's economic development. It is significant to study on micro finance as it has enormous role in poverty alleviation, social development, women empowerment and so on. The impact of this study may be on the people engaged in different sector like, agriculture, education, health and social development as many of them are getting the benefits of micro credit. It will also help the people to take decision who are interested to come under the facilities of micro credit. This study will helpful for the policy makers to take necessary policy regarding micro credit. Students will also be benefited from this study who is interested to know about micro credit.

Keywords: microfinance, micro banks, microfinance organizations, social capital, women empowerment

INTRODUCTION

Bangladesh is considered as one of the poorest countries in the world, where poverty is a common and pervasive problem (Yunus, 2007) and therefore, poverty remains a matter of growing horrified issue in Bangladesh till date. Scarcity of food, shelter, housing, healthcare and education, limited employment opportunities and unequal resource distribution are indicators of poverty. In this connection, different categories of poverty for example absolute poverty, income poverty, relative poverty and consistent poverty exist in Bangladesh. Deprivation of basic needs for example food, water, hygiene, tailored; housing, healthcare and schooling are symptoms of absolute poverty. Relative poverty refers to fiscal disparity in society and consistent poverty is defined as the permutation of income poverty and dispossession (Yunus, 2005).

Microfinance as a Tool for Poverty Alleviation

Different tools and strategies have been applied for reducing poverty over the years (Carr and Tong, 2002, p. 7). Microfinance is one of those tools, which has spread all over the world for alleviating poverty since the 1990s. In this connection, Banomali, argues that microfinance is one of the effective tools for alleviating poverty. The notion of microfinance was familiarized in 1976 by Muhammad Yunus by setting up the Grameen Bank on an investigational basis, on the peripheries of the Chittagong University campus in the pastoral settlement named Jobra. During subsequent years, his mission proved to be tremendously successful and other microfinance institutes emerged by following the footsteps of the Grameen Bank's successes. Echoic this, Ghanesh, Management of Micro Bank expresses his opinion that after the tremendous success of Grameen, huge number of microfinance institutions emerged in

Bangladesh and all of those are still involving in reducing poverty. Micro Bank is one of them that started its operation in 1972 through relief work, now it is the largest micro finance institutions in the world. It operates in large scale development activities across the world. It is such an organization that introduces Integrated Development Program for reaching the poorest of the poor in the rural part of the country..

In Bangladesh, around 30% of the populations are living below the poverty line (BBS, 2015). Malnutrition is pervasive, and 48% of children under five are underweight (WB, 2006). Fortunately, in the face of these challenges, Micro Bank is playing a vibrant role alongside the Grameen Bank. Micro Bank is very well known as a development-oriented effective organization for its twin objectives of poverty alleviation and empowerment of the poor, especially women; its holistic approach recognizes a wide range of economic and social development issues. Though, Micro Bank started its operation through relief work, it has a long tradition of microfinance program that alleviates poverty through the provision of savings and credit services for poor rural women (Ahmed and French, 2006). Micro Bank provides credit services to over four million village women and its total loan disbursement is approximately US \$6 billion. Besides, Micro Bank also turns livelihood programs to simplify micro-enterprise expansion in poultry, livestock, aquaculture, sericulture, agricultural extension, and agro-forestry that has already impacted positively in society. Additionally, Micro Bank provides services like training, improved breeds, technical assistance, monitoring, and marketing that helps the organization to run its microfinance program smoothly. In the mean time, Micro Bank has also designed a special program called 'Challenging the Frontiers of Poverty Reduction – Targeting the Ultra Poor (CFPR-TUP)', to reach the poorest of the poor often by passed by most microcredit and poverty alleviation programs (brac.net). Micro finance is appropriate tools for alleviating poverty because geography and climate of Bangladesh is not friendly. That is why rural people always strive to fight against the natural calamity and poverty.

STATEMENT OF THE PROBLEM

Bangladesh is a developing country and most of the people are living here under poverty. They are hard worker and have potentiality but they can not show it for the lack of money. Nowadays, Government as well as some private institutions are playing an important role to alleviate poverty through Micro credit program. Although microfinance institutions have some limitations, it can raise the level of income of the marginalized communities in society in an effective and

sustainable manner. This creates expanded scopes for the deprived communities in society.

RESEARCH OBJECTIVES

In the research project, main objective was to show the role of microfinance for empowering the relegated communities, especially womenfolk in rustic areas. Exploring the impact of microfinance in enlightening the excellence of life and economic development of the unfortunate communities. Analyze the effectiveness of microfinance, especially for increasing the level of income of the deprived people in society that would create social capital and boost the country's economic development.

METHODOLOGY

Based on the research question and its objectives, case study method has been chosen here as a research method.

Case Study

Saunders et al. states that case study is popular in the field of social science research because real life context can be explored through the case study. They further add that case study is congenial if research question starts with 'what', scope to control behavioral events and last of all, shed light on contemporary phenomenon of the research (Saunders et al., 2012, p. 179). To work on case study, semi structured interviews technique have been used in the research because of covering the listed themes and possible some crucial questions.

Semi-Structured Interviews

Semi-structured interviews have been followed in the research project because semi-structured interviews provide opportunities to researchers for covering the listed themes and possibly some crucial questions (Saunders et al., 2012, p. 374). In the research project, we have used semi-structured interviewing because there was very little possibility to take someone's interview more than once. Furthermore, Bernard (1988) asserts that semi-structured interviews permit interviewees' the freedom to express their opinion in their own terms (Bernard, H., 1988).

LIMITATIONS OF THE STUDY

Analyzing the case on Micro Bank, which is one of the largest development organizations in the world and has a long experience in microfinance across the world, helped us to get a clear picture. Although the research design was carefully prepared, we are still aware of its limitations and shortcomings.

First of all, time was very limited for conducting the research because of the respondents' unwillingness to

allocate sufficient time for conducting interviews. It would have been better if the allocation of time were longer.

Second, the number of interviewees from the management and the borrowers in total were only ten that might not prove to be significant.

Third, since the questionnaire was designed to measure the role of microfinance for improving the standard of living, women's empowerment and poverty alleviation in the society, specific determinants could have been included in the questionnaire.

In addition, limited resources and time, language barrier, deficiency in understanding of questions especially by the users of micro-loans created some difficulties in conducting the research.

Before going to the depth, the reality of microfinance and social capital is plotted with some paragraphs in literature review part where some of the case studies have been focused in favour of / against microfinance as well as social capital.

LITERATURE REVIEW

Barr and Michael state that microfinance is a financial tool that is dedicated to alleviate poverty and improving the standard of living of marginalized community. Moreover, microfinance introduces additional services such as micro savings and micro insurance that also increase the income of the poor people (Barr and Michael, 2005). In the same connection, Islam et al. suggest that microfinance and micro insurance are the way of improving the standard of living of poor people because micro-insurance save poor people from uneven occurrence (Islam et al., 2005, 2006). However, Mahajan argues that microfinance does not ensure the standard of living because microfinance creates more harm than good to the poorest of the poor (Tripathi, S., 2006). Nonetheless, Latifee argues that microfinance has opportunities that can increase the poor people's standard of living through the income generation and reduce the risk of uncertainty (Latifee, 2003).

Morduch (1998) states that microfinance reduces the vulnerability and increases the consumption as well as educational enrollment for children. He conducts a research on 1800 households in Bangladesh during 1991-1992. The research shows that households those receive microfinance are substantially better than control households. This study criticizes microfinance programs for its wrong selection of clients; roughly 20%-30% of microloan users are already better off than the poor as per the research conducts by Morduch.

Kabeer and Noponen (2005) conduct another research on socio-economic impacts of microfinance operated by a Self Help Group (SHG) in Jarkhand, one of the poorest states in India. The study finds results indicated that Self-Help Group (SHG) significantly improves participants' livelihood bases, savings status and debt positions, and living and consumptions standards through its financial services (Kabeer, N., and Noponen, H., 2005 cited in Kabeer, 2010)

In addition to, Johnson argues that microfinance provides financial services to women for earning by operating small business. Thus microfinance works as an entry point for empowering women economically and socially because gender awareness has been given priority in microfinance program. In addition to, women have also been capacitated to take challenge for establishing their rights through microfinance (Johnson, 1997 cited in Armendariz, B. and Labie, M., 2011).

Mahjabeen argues that microfinance is to be an effective strategy for over all development as it plays a substantial role for eradicating illiteracy, reducing poverty, increasing women empowerment and income distribution that lead a country to be developed (Mahjabeen, R., 2008). However, Mahjabeen argues that microfinance strengthen women by admitting smooth entrance to non-formal credit market and engage them in communal development activities through different networks such as village organizations and so on that lead to increase social capital in the society. In the same sense social capital theory has been chosen in the research for correlating the concept of social capital with microfinance and its impact on increasing standard of living, empowering women and alleviating poverty.

THEORETICAL FRAMEWORK

Putnam's social capital theory has been used throughout the research. The characteristics of social capital for example trust, norms and networks that can progress perfection of society by providing joint actions. When the characteristics of social capital are taken together and correlated with microfinance, impact might be found in the society for instances raising living standard, strengthening women capacity and alleviating poverty. Bonding, bridging, norms and reciprocity are easy to use in the function of microfinance that can contribute to reduce poverty and create social capital. Besides, social capital theory helps to interlink between empirical data (interviewed), microfinance and its outcome that helps to analyze in findings.

Putnam's Social Capital Theory

Putnam states that the core idea of social capital theory reflects the meaning that social networks have value. He opines that physical capital and human capital together increase individual's or group's efficiency. In addition, extended social networks also play role to increase individual's group's efficiency or productivity. Whereas physical capital means physical objects, human capital means properties of individuals, and social capital means connections among individuals. The difference of social capital from physical and human capital is that only the social capital pays concentration to the civic virtue that is most powerful when embedded in a dense network of mutual social relations. Social relations are also important for sustaining community engagement. In that connection, community engagement plays vital role for building a strong norm of reciprocity (Putnam, 2000).

In addition, Putnam states that social capital implies as the social networks among community members. He describes that networks just refer as the creation of associations and social engagement that can play role for creating social capital in the society (Field, 2003, p. 44). Putnam again asserts those social networks and the associated norms of reciprocity such as trust form in different shapes for ensuring the betterment of those stay inside the network (Putnam, 2000). In that connection, Putnam further argues that social capital can be directed toward wellbeing such as brings the positive changes through the maximization of mutual support, cooperation and trust (Putnam, 1993).

In addition, Putnam explains in different forms of social capital such as formal social capital for instance a Parent Teacher Association that is formally organized whereas, the other forms of social capital is informal such as pick up a basket ball game. Furthermore, he mentions that some forms of social capital is public oriented such as a volunteer ambulance squad is oriented to public purposes, whereas, a bridge club only for the purpose of private enjoyment of the members of that club and the rotary club is formed for both public and private purposes (Putnam, 2000).

Micro Bank's Microfinance Program and its Classifications

Microfinance program of Micro Bank has been described substantively in its website (brac.net). As per website, Micro Bank focuses that microfinance is one of the influential tools for alleviating poverty. Micro Bank's microfinance program provides micro loans and door steps services to its members. Moreover, Micro Bank has introduced credit plus approach that provides more than just financial assistance to increase

employment opportunities that impacts on eliminating poverty from society (brac.net). On the other hand, Micro Bank microfinance is contributing to remove poverty from the society through its different programs (brac.net).

Dabi: Micro Bank's Dabi program targets landless groups of women in rural, semi-urban and urban slums and provides financial assistance in agro-farms and non-farm activities, such as cultivation of rice, maize and vegetables, rearing livestock and poultry. Micro Bank is carrying out this enormous task with the help of Village Organizations (brac.net).

Unnoti: Farmers who have less than one acre of lands are entitled to take loans from Micro Bank 's Unnoti Program; people owning over one acre of land are not eligible for mainstream microfinance programs. The main purpose of this project is to ensure food security, pro-poor growth and improving the livelihood of marginalized people in society (ibid).

Progoti : Progoti assists petty-entrepreneurs those do not have their own land but have the potentiality to run businesses. Progoti eliminates barriers for the micro-entrepreneurs by giving loan to them on easy terms.

CFPR: The households with less than 10 decimals of land are entitled to get benefit from the CFPR Program. Basically, it caters to people who earn their livelihood by begging and working on a daily basis with no productive assets. Additionally, it targets the households having no productive male members, has school-going children and received paid work benefit (brac.net).

Contribution towards Raising the Standard of Living

Morduch and Robert (2002) argue that microfinance is one of the most productive tools for increasing income and reducing poverty, yet, it has insufficiently penetrated the poorest of the poor. In the connection, Banomali states that microfinance basically works for the poor and exemplifies the name of Micro Bank that introduces graduation program for the hard-core poor. He further incites that the hard-core poor has no capacity to use the microloan so that initially hard-core poor has been brought under Micro Bank's graduation program where they are given training and financial subsistence for building their capacity as well as pursued the hard core poor to create networks inside and outside of their groups through which each of them will be benefitted by using their internal and external network. Results on, their income and consumption rise that lead to increase their standard of living and social capital as well.

In this regard, Micro Bank helps to increase the income of the poor that impacts positively to raise their standard

of living as well as social capital through capacity building and networking.

However, Razia, client of Micro Bank addresses that she does not realize any positive changes in her standard of living after receiving microloan from Micro Bank. She further demonstrates that even she is being not trained to good start up after receiving micro loans. On the other hand, other client of Micro Bank named Zakia asserts that she has received 140,000 taka (\$1=79 Taka) as loan from Micro Bank and invested in her own shop that makes profit now. Results on, her income increases and now she purchases good things for her kids as well as sends them to the school i.e., her standard of living increases after receiving microloan from Micro Bank.

Contribution Towards Women's Empowerment

Saleh, Management of Micro Bank asserts that women are the main target group of microfinance, so that they can be empowered through micro-loans. In this sense, microfinance is a gateway of gaining freedom for women. However, Banomali, Management of Micro Bank states women are not actually empowered especially in-group lending because women can not invest directly in the business without the consultation of her husband i.e., they do not have freedom in decision making process though all microfinance institutions claim in contributing towards women's empowerment through microfinance. He again points out if women could be involved in direct investment, then they would be more empowered and their proper empowerment cum social well-being could be achieved. In the same sense, Taslima, Client of Micro Bank says that she has been involvement in Micro Bank for four years. She receives loan from Micro Bank and purchases a house by spending that loan. Now she has rented that house and is getting profit every month, which gives her economic freedom and solvency as well.

In the same connection, one of the recipients of Micro Bank named Hasan states that he does not see the affiliation between microfinance and women's empowerment. Conversely, another client of Micro Bank named Nurunnahar claims that she receives microloan from Micro Bank and invests in her own business and earns profit gradually that gives economic her freedom and reduces poverty.

Banomali states that Micro Bank is creating social capital through women empowerment. He cites that Micro Bank builds Palli Shomaj (village society), which is a kind of network especially for women. Micro Bank counsels the members of Palli Shomaj on different issues that help to increase in awareness about their

rights. Besides, Micro Bank connects the members of Palli Shomaj with the government bodies through lobbying and networking. Thus, Micro Bank Microfinance empowers women through networking and creates social capital in the society.

Contribution Towards Poverty Reduction

Banomali, Management of Micro Bank Microfinance opines that microfinance is one of the most effective tools for poverty alleviation because microfinance motto is to help the poor especially women for moving out poverty and ensuring sustainable livelihood. However, Haley argues that microfinance is not effective tool for poverty alleviation because it does not sufficiently penetrate the hard-core in the society. The hard-core poor are deprived from basic needs like access to primary healthcare and basic education; similarly, they are the majority among those without access to microfinance (Haley, B., 2002).

A client of Micro Bank named Nurunnahar asserts that she has been involving with Micro Bank for a long time and used to receive microloan from Micro Bank that helps her to lessen poverty. She again says that she is now able to pay the expenses of her children's education because she runs business by receiving loan from Micro Bank that generates profit. So, her level of income has risen and poverty reduced. On the other hand, Hasan argues that Micro Bank microfinance does not bring any change in his income level; rather this loan brings liability to his family.

However, Saleh argues that Micro Bank is not a trap for the poor because microfinance not only reduces poverty but also creates a uniform bonding through its multi-dimensional networks such as Palli Shomaj, Village Organizations, Community Development Associations that create good connection and promote welfare, greater cohesion and willingness to initiate over all social development. In the same sense, he again states that micro bank introduces credit plus approach, where loans are disbursed to destitute women in combination with healthcare services, capacity building kits, pre-primary education for children that collectively help to root out poverty and ensure over all social development. Conversely, Taslima argues that she receives only credit from micro bank and health care, non-formal primary education for children and capacity building kits remain blind to her that makes contradiction with Saleh statement.

Proclivity of Social Capital in Microfinance

According to Ameen and Sulaiman, microfinance has had significant impact in Bangladesh because microfinance creates social capital that has generated

greater economic wellbeing (Ameen and Sulaiman, 2006). In the same sense, World Bank shows the strong relationship between social capital and microfinance such as group lending methodology of microfinance creates bonding among the group members prior to receive microloan. Furthermore, group lending mobilizes resources and facilitates easy access of the poor to credit market that creates social well-being as well as social capital too (World Bank, 2009). Echoing this, Banomali, Management of Micro Bank states that Village Organizations (VOs) of Micro Bank also mobilizes resources for the poor through easy access to the microfinance program and plays a vital role for creating positive social capital. However, Molyneux argues that microfinance diminishes the existing level of positive social capital by creating a socially corrosive competitive individualism (Molyneux, 2002, p. 181). Nonetheless, socially corrosive competitive individualism can be abated in the field of microfinance through networking and therefore Saleh argues that Micro Bank microfinance connects the marginalized people who are the members of Pallishomaj (a kind of association) through lobbying and networking that create social capital.

In the same sense, Karlan argues that network plays vital role for protecting the failure of microfinance institutions by ensuring better repayment that helps microfinance to flourish for reducing poverty and creating social capital (Karlan 2007, Karlan 2005). In the same connection, Saleh points out that Micro Bank program helps to ensure social development as well as social capital connecting the members' of Palli Shomaj (village society) with the government of Bangladesh through lobbying and networking. Echoing this, Murshada, Client of Micro Bank adds that they have a strong network that is formed with the help of Micro Bank. By using this network, each of them gets easy access to the Micro Bank Programme and thus they are achieving financial solvency that helps them to get rid of poverty.

Taslima, Client of Micro Bank asserts that they have a good and trustworthy relationship among the group members and therefore they are helping each other and reducing hidden information among them, which help to retain a nice relationship with their community that strengthen social capital. Murshada claims when they had group, trust existed among group members. Without trust, it was not possible to take loan, because each member was a guarantor against others that put pressure on borrowers to repay on time. In the one hand, Fatema, Client of Micro Bank argues that trust and networks sometimes create worst situation of microfinance clients through peer pressure and corrosive bonding that create

negative social capital rather than strengthening social capital. She again points out that high degree of trust in the context of poor countries sometimes misleads clients and leads them in trap that generate negative social capital in the society. Banomali expresses his opinion that without bonding and trust between clients and microfinance institutions, no transaction could be happened and therefore, the role of social capital in microfinance cannot be expressed in word.

CONCLUSIONS

Microfinance is being thought to be one of the effective tools for poverty alleviation. Though there are many arguments against the effectiveness of microfinance and the physiognomies of the beneficiaries who are really benefitted by microfinance. Yet, it can be said that microfinance has varied impacts on the livelihood of poor people. The logic in favor of microfinance is that microfinance has brought numerous poor women out of poverty and promoted economic sustainability. In that case, microfinance institutions attain economic sustainability by patronizing informal micro enterprises over the world. Informal micro enterprises create job creation that raises income, reduces poverty and attain sustainability. However, there are numerous criticisms on microfinance such as microfinance does not reach the poorest of the poor and empower women and so on. Nonetheless, microfinance strengthens market competitiveness by providing micro loans to the destitute people, introduces symmetric information through networking and limits high fixed cost for small-scale lending through its strong networks and thus microfinance strengthen poor people's capacity.

Additionally, microfinance institutions strive to improve the admittance the poor to financial services that lead the poor to strengthen their productivity for sustainable livelihoods. Furthermore, microfinance would precise the market failure providing smooth access the poor to credit market. Bangladesh and some African countries are the example that correctly the market failure by ensuring the smooth access of poor women to the informal credit market. Thus, microfinance creates economic power through small-scale investment that would increase employment and income opportunity, strengthen social power and lift the poor out of poverty. Women empowerment is the significant contribution of microfinance institutions and Bangladesh is the prominent example of South Asia where women are empowered through NGOs and different non-financial institutions. Microfinance empowers women economically independent by providing flexible access to the credit market. Financial freedom gives higher bargaining capacity to women. Results on, they make vital role for making decision in their families that gives

them higher prestige and self-esteem in the society. Besides, microfinance empowers women by assuring welfare activities and increase political awareness that stand them equal to men. In this way, women are empowered in Bangladesh and other poor countries in the world.

Mentioned case study in the research named Micro Bank targets the ultra poor those are landless people and living below the poverty line through its graduation program with particular focus on women, whose lives are dominated by illiteracy, sexual harassment, exploitation, disease and malnutrition. Micro Bank primarily focuses on their socio-economic empowerment by providing collateral free micro loans ranging from BDT11,000 to BDT 100,000; 1\$=79 BDT(Bangladeshi Taka) are disbursed to these type of clients, which are repayable with monthly installment. However, some loans such as house building and car loans are repayable in more than a year. Micro Bank believes only microfinance cannot resolve the existing problems such as exploitation of women and poverty in the society and therefore, Micro Bank arranges various training courses for its clients to enhance their skills and capacity through which they can engage themselves in various income generating activities such as poultry, livestock, vegetable cultivation, fish culture, plantation, sericulture, small trade including grocery shops and restaurants. In addition, Micro Bank makes use of prevailing social capital in the society and creates a link that to physical capital for increasing in standard of living, empowering women and removing poverty from Bangladesh through its extensive level of microfinance operation and it has now crossed the national demarcation and reached in the international level.

PERSPECTIVES

All the microfinance institutions including Micro Bank should concentrate substantively on up-gradation of skills, knowledge and capacity collectively because providing only micro loan to the poor can not improve standard of living, empower marginalized community especially women and reduce poverty.

The motive of microfinance institutions should be maximized welfare for the destitute people rather maximized profit and therefore, microfinance institutions should fix up minimum interest rate.

Microfinance institutions should create fund for future default loans because a significant portion of micro loans are not used to create small businesses at all; they are used for consumption smoothing such as weddings, funerals or education and health fees. That is the kind of

scenario, which leads the poor to fall in vicious cycle of poverty.

Microfinance institutions should provide micro loans to the entrepreneurs for creating prosperous business entity that will create large-scale employment opportunity. Besides, microfinance institutions provide loan to the poor with close supervision by which both party may remain safe from uneven situation.

Microfinance institutions should create a central data repository where every client's detailed information might be put over there. Results on, microfinance institution can avoid client's indebtedness by collecting data from the central repository and analyzing that data carefully.

Microfinance institutions should target women effectively because they are the catalyser for ensuring aggregate development. Along with, microfinance institutions should target the rustic people who are really poorer than urban areas.

Microfinance institutions should provide financial services with complementary services such as the teaching of the importance of literacy, health, nutrition, family planning, social norms and reciprocity, and the alike.

REFERENCES

- Abdullah, H.J., A.F. Ibrahim and J. King "Women's voices, work and bodily integrity in pre-conflict, conflict and post-conflict reconstruction processes in Sierra Leone. IDS Bulletin, "2010, vol.41, no. 2, pp. 37-45.
- Ahmed, S. and French, M. "Scaling up the BRAC experience ", 2006, vol. III, no. 2, pp. 35-40.
- Banerjee, A. V. and Duflo, E. "The Economic Lives of the Poor. Journal of Economic Perspectives", 2006.
- Barr, M.S. "Microfinance and Financial Development. Michigan Journal of International Law ", 2005, vol. 26, PP. 278.
- BRAC "BRAC Annual Report.Dhaka:BRAC",2011.
- Carr, J.H. and Tong, Z.Y. "Replicating microfinance in the united states", 2002.
- Chowdhury, A.M.R. and Bhuiya, A. "The wider impact of BRAC poverty alleviation programme in Bangladesh. Journal of International Development", 2004, vol. 16, pp. 369-386.

- Faraizi, A., Rahman, T., and McAllister, J. "Microcredit and women's empowerment: a case study of Bangladesh, London: Routledge", 2011.
- Haque, K.N.H. "The Impact of Microfinance on Social Capital: A Critical Investigation of Bangladesh. Central European University, Budapest, Hungary", 2010.
- Islam, N, and Sultana, N. (2006) The status of women in Bangladesh: is the situation really encouraging ? Research Journal of Social Sciences", 2006, vol. Vol.1, no.No.1, pp. p. 56-65.
- Johnson, S. and Rogaly, B. "Microfinance and Poverty Reduction. London: Oxfam.", 1997.
- Kabeer, N. "Conflicts Over Credit: Re-Evaluating the Empowerment Potential of Loans to Women in Rural Bangladesh, World Development", 2001, vol. 29, no. 1, pp. 63-84.
- Kabeer, N., and Huq, L. "The power of relationships: Love and solidarity in a landless women's organization in rural Bangladesh. IDS Bulletin", 2010, vol. 41, no. 2, pp. 79-87.
- Kabeer, N. and Nojonen, H. "Social Economic Impact of PRADAN's Self Help Group Microfinance and Livelihoods Promotion Program Analysis from Jarkhand, India, The Institute of Development Studies", 2005.
- Kabeer, N., Mahmud. S., and Castro, J. "NGOs and the political empowerment of poor people in rural Bangladesh: cultivating the habits of democracy? World Development", 2012, vol. 40, no. 10, pp. 2044-62.
- Kabeer, N. "Subordination and struggle: women in Bangladesh. New Left Review. 168", 1988, , pp. 95-121.
- Kabeer, N. 2001. The power to choose: Bangladeshi women and labour market decisions in London and Dhaka. Dhaka, Bangladesh: The University Press Limited.
- Karlan, D.S. "Social Capital and Group Banking. Princeton University mimeo.", 2003.
- Karlan, S. "Social connections and group banking", 2007, vol. 117, no. 517, pp. 52-84.
- Latifee, H. I. "Microcredit and Poverty Reduction. Paper presented at the Poverty Reduction Through Microcredit, June 9-10, 2003, Istanbul, Turkey", 2003.
- Marr, A. "Microfinance and Poverty Reduction: The Problematic Experience of Communal Banking in Peru. SOAS Working Papers 122, SOAS: London, UK.", 2002.
- Marr, A. "Studying Group Dynamics: An Alternative Framework for the Study of Microfinance Impacts on Poverty Reduction. Journal of International Development", 2001, vol. 14, no. 4, pp. 5
- Molyneux, M. "Gender and the Silences of Social Capital: Lessons from Latin America", 2002, vol. 3, no. 2. pp. 167-188.
- Morduch, J. "Does Microfinance Really Help the Poor ? New Evidence from Flagship Program in Bangladesh, Working Paper, New York University.", 1998.
- Morduch, J. "Smart subsidies. In B. Balkenhol, Microfinance and Public Policy: Outreach, Performance, and Efficiency. New York: International Labor Organization and Palgrave Macmillan.", 2007b, , pp. 72-85.
- Morduch, J. and Haley, B. "Analysis of the Effects of Microfinance on Poverty Reduction, NYU Wagner Working Paper No. 1014, ", 2002.
- Mortuza, G. "Fazle Hassan Abde and BRAC (in Bangla), Dhaka: Mawla Brothers.", 2006, .
- Putnam, R.D. "The decline of civil society: How come ? So what ?", The John L. Manion Lecture, Canadian Centre for Management Development, Ottawa, Ontario", 1996a.
- Putnam, R. D. "The strange disappearance of civic America", Policy-St Leonards", vol.12, pp. 3-15.
- Putnam, R. D. "Bowling alone: the collapse of America's social capital", 2000.
- Putnam, R. D. "The prosperous community". The American Prospect", 1993a, vol. Vol. 4, no. No. 13, pp. 35-42.
- Putnam "Bowling Alone: America's Declining Social Capital", 1995, vol. 6, no. 1, pp. 65-78.
- Tripathi, S. 2006, *Microcredit Won't Make Poverty History*, Guardian Unlimited,

World Bank (WB) “Bangladesh data profile. World Development Indicators database”, 2006.

Yunus, M. “Grameen Bank at a glance. Grameen Bank, Dhaka.”, 2005, .

Yunus, M. 2012, *Muhammad Yunus Speaks at Business School*.

Yunus, M. “ Banker to the poor Micro lending and the battle against world poverty. Public Affairs, New York.”, 1999, .

Yunus, M. “Creating a world without poverty”, 2007, [Online].

Zaman,H. “ To What Extent Do Microcredit Program Reduce Poverty and Vulnerability in Bangladesh? ‘,World Development Report, The World Bank, Mimeo. ”, 1999.