Aminur Rahman, *Women and Microcredit in Rural Bangladesh: An Anthropological Study of Grameen Bank Lending,* Boulder, CO: Westview Press, 1999, xi + 188 pages, 22 figures.

Reviewer: *B. Lynne Milgram*
York University

As Rahman notes in his introduction, microcredit has become the "new paradigm for thinking about economic development" (p. 1). Since the limits of welfare-oriented approaches are now well recognized, an ever-growing wave of microlending initiatives are cloning Bangladesh's Grameen Bank model in efforts to alleviate poverty and empower the "poor." Because of women's higher repayment rates and prioritization of expenditure on family welfare, many of these programs target women specifically, as a means for increasing project cost efficiency and for achieving more effective poverty alleviation. Rahman's study of one of the Grameen Bank's oldest village projects is part of a recent literature critiquing the global consensus that microlending to the poor is the key to economic development in the 21st century. Rahman challenges the unqualified success of Grameen Bank schemes based on quantitative survey studies to dispute claims that microcredit provides a cost-effective sustainable development model that improves peoples' quality of life. Instead, he argues that microlending to women, particularly, systematically fails to reach the poorest, has a limited effect on increasing household income and treats the symptoms rather than the social causes of poverty.

Focusing on grassroots lending practices to women, Rahman critiques the Bank's hegemonic discourse of control that fosters a "Grameen Culture" through its Sixteen Decisions (code for proper behaviour) and through disciplining borrowers to consider prompt loan repayment their highest priority. His analysis makes an important contribution to the recent debates about the effectiveness of microcredit delivery as he repeatedly demonstrates how Grameen Bank culture exists within the "larger structure of patriarchy that consequently retrenches partriarchal hegemony and reproduces new forms of domination over women in [Bangladesh] society" (p. 51).

Microcredit programmes extend financial services for self-employed livelihood projects to those who do not have access to the formal banking sector because they lack traditional forms of collateral (e.g., capital, property). To acquaint the first-time reader on microcredit with the premise of such systems, Rahman begins with a thorough explanation of the operation and philosophy of the Grameen Bank since its inception in 1976 (augmented by two Appendices); and he reviews the major studies on Grameen lending. His overview of the literature on women in development (WID) and gender and development (GAD) provides the context for his more detailed analysis of Bangladesh's gender and development projects since the early 1970s, particularly those of group-based institutional lending to women.

Rahman systematically analyzes (chapters 5-7) each of the major tenets of the Grameen Bank's operation within the theoretical framework of Scott's "hidden" and "public" transcripts. Within this paradigm, he confronts the ongoing contradictions between ideology and practice in Grameen Bank culture. He persuasively demonstrates the connection between the financial success of the Bank and the debt-cycling of borrowers. The Grameen Bank's priority of achieving institutional financial sustainability through prompt and profitable returns to donors causes bank employees at the grassroots level to focus on increasing the number of loans disbursed and loan collection. This resonates with the current critique of microcredit in which financial sustainability takes precedence over social change objectives, thus undermining the goals of empowering women. By using the joint liability model of lending (e.g., peer pressure), both bank workers and group members impose intense pressure on borrowers for timely loan repayments. Many borrowers thus maintain their regular repayment schedules, but do so through a process of local recycling; that is, they pay off previous loans with new ones, often from local moneylenders charging high monthly interest rates, thereby increasing borrower debt liability. Such debt burdens on individual households, in turn, increase tension and anxiety among household members, and produce unintended consequences for many women, especially increases in domestic hostility and violence (p. 98).

Rahman further shakes the bastion of microcredit by documenting how the majority of women borrowers are disadvantaged by the program through the power hierarchies that develop within local loan centres. In practice, male bank workers make the final decisions on who receives loans and on the amount they receive. In turn, the "better off poor" women with well-developed social networks often decide which members' names go forward to the bank for loans; and currying favour with bank officials, they promote the interests of particular members to improve their personal social capital (pp. 101-102). Thus, instead of building member empowerment and group solidarity, such practices actually widen cleavages among women and threaten group solidarity, a situation now more widely documented (e.g., Goetz & Gupta, 1996; Morduch, 1999).

Rahman's strongest critique of the Grameen Bank scheme emerges in his discussion of how the bank's practices actually perpetuate the broader Bangladesh partriarchal ideology. He reports that over 90 percent of Grameen Bank employees are male (p. 84) while the majority of borrowers are women. Within this structure, 78 percent of women turn over a substantial portion of their loan to their husbands, while 60 percent turn over the entire amount (p. 109); in return, women receive the money they need for their weekly repayments. Such practices undermine the key Grameen Bank premise to empower poor women by providing access to individual investment funds. Rahman makes the important point that "what is central is not women's control of finances, but the centrality of women in household decision making" (p. 113). With the rapid expansion of the bank's outreach, there is little time for loan supervision that can facilitate women's control of loan funds. His study thus supports the cautionary warning within the field that the singular microcredit formula that simply advances loans to raise household income does little to challenge Bangladesh's broader infrastructure, in which women's "positional vulnerability" (p. 74) and cycle of low-paying home-based enterprises are so firmly enmeshed. As the participants in Rahman's study explain, the Grameen Bank has largely sacrificed its social development constitution to maintain a high repayment rate; "it has become a *kistir* bank, a bank for installment collection" (p. 117). Regarding institutions like the Grameen Bank as historically contingent frameworks for rules, beliefs and practices, can thus illuminate how, when gender policies intended to challenge existing relations of power are introduced, outcomes can seem so little changed.

Rahman's study could have benefitted, however, from the addition of a short section situating the Grameen Bank scheme within other microcredit and microfinance approaches. Increasingly, advocates of microlending are adopting a microfinance approach in which equal emphasis is placed on savings activities as well as on the disbursement of loans. Although enforced savings constitutes a part of the Grameen scheme, savings activities, including the brief mention of members achieving individual accessibility to their Group Fund Account (in 1996), are mentioned only in passing. What are the potential advantages of accumulated savings for some women? Similarly, although we learn that some "women borrowers achieve a degree of self-esteem and achieve investment and repayment goals" (p. 96), a natural reaction is to ask for some elaboration on success stories about women who have been able to transform power relations and to create their own spaces. From his critique of the Grameen Bank's neoliberal agenda, specifically, Rahman might have taken a bigger step forward to problematize, not only this development project, but the very concept of development itself.

These minor points aside, Rahman's book makes an important contribution to the field of development studies and especially to the recent promotion of microcredit as an international development policy. Although his study is based on one village example, it has policy implications for similar schemes being established worldwide, and for those throughout Asia and the Pacific, especially. The book raises provocative and important questions. Consequently it could provide the basis of lively debates in both undergraduate and graduate courses in development, as well as for specific discussions on development planning and policy formation.

References Cited

Goetz, A. M., and R. Sen Gupta
1996 Who Takes the Credit? Gender, Power and Control over Loan Use in Rural Credit Programmes in Bangladesh, *World Development*, 24(1): 45-63.

Morduch, Jonathan
2000 The Microfinance Schism, *World Development*, 28(4): 617-629.

Ken Coates, *The Marshall Decision and Native Rights,* Montreal: McGill-Queen's University Press, 2000, 246 pages, $24.95 (paper).

Reviewer: *Robert Adlam*
Mount Allison University

This book begins in its opening chapter with the individual at the centre of this controversy—Donald Marshall, Jr. He is a figure already well known to Canadians as a result of his wrongful conviction and the subsequent judicial inquiry of the 1980's. Here, Marshall is before the Court system again B this time for fishing without a licence, selling eels without a licence and fishing during a closed season. He admits to having caught and sold 463 pounds of eels without a licence and with a prohibited net within closed times. The only issue at trial, then, is whether he possesses a treaty right to catch and sell fish under the treaties of 1760-61 which exempted him from compliance with the regulations.

Joined by Mi'kmaq chiefs, the Union of Nova Scotia Indians and the Confederacy of Mainland Mi'kmaq, a legal battle ensues which works its way through the court system ending up finally before the Supreme Court of Canada. In its ruling of September, 1999, the Supreme Court not only finds for Marshall but holds that he has established the existence and infringement of a local Mi'kmaq treaty right to carry on a small scale commercial eel fishery. Amidst the controversy which follows, the Court takes the rather unprecedented step of issuing a statement of clarification [November, 1999]. The statement addresses certain misconceptions about the judgement, principal among these being, that the *Marshall* decision is specifically about eels and not about other natural resources. Further the treaty right referred to in *Marshall* is a *regulated* right. This recognizes the stewardship of the Federal government, the continuing pre-eminence of conservation, and the need to consider the "rights" of other users. Finally, the right to a moderate livelihood is interpreted as being limited to securing "necessaries"—meaning "food, clothing and housing, supplemented by a few amenities" and not to the open-ended accumulation of wealth.

For Coates, making sense of the *Marshall* decision requires a very broad and comprehensive perspective which must take account of the historical as well as contemporary circumstances of First Nations within the Maritime provinces. Accordingly, there are the historical relations which developed between First Nations and newcomers culminating in the treaties of 1760-61 B the agreements immediately relevant to the case at hand (chapter 2). As well, there are the contemporary social, economic and cultural conditions among these First Nations which finds them largely marginalized from the opportunities enjoyed by most non-Aboriginal Maritimers. Indeed, hardest hit appear to be Aboriginal youth who, even in the face of more vibrant First Nation communities and the reinforcement of language and culture, continue to experience a lack of belonging in a world markedly different from that of their ancestors (chapter 3).