

Opportunities to Affect: In Reading Groups

By: Jo Ann Sharkey

Banker to the Poor: Microlending and the Battle against World Poverty

by Muhammad Yunus

Microcredit is not a miracle cure that can eliminate poverty in one fell swoop. But it can end poverty for many and reduce its severity for others. Combined with other innovative programs that unleash people's potential, microcredit is an essential tool in our search for a poverty-free world (171).

In his book, *Banker to the Poor: Microlending and the Battle against World Poverty*, Muhammad Yunus innovatively dreams of the end of world poverty with a plan of microlending and microcredit. Yunus began his career as a professor of economics, first in the United States and then in his home country of Bangladesh. Through his work with the Chittagong University, Yunus discovered the plight of the deeply impoverished people of his native Bangladesh and was inspired to do something to help them. He founded the Grameen Bank, a financial institute created to bring microloans to the poor. A microloan is a small loan, as little as \$25, given to an individual that will enable her or him to finance her or his own business endeavors.

The Grameen Bank intentionally seeks out those who are neglected by the established banks and financial systems. Grameen particularly seeks female loan recipients who are often neglected by the established loaning agencies. To receive a loan is to receive a sense of self-worth. Many of the women Yunus and his bank try to reach have never had the opportunity to be responsible or accountable for finances, yet they are the ones who must put food in their children's mouths and a roof over their family's head. The loan instills value, self-worth, and a quality of life in all people, but especially women. Grameen's goal was to make one-half of all its borrowers women. This goal eventually became a reality despite taking more than six years to accomplish.

The Grameen Bank and Mohammad Yunus did not simply stop when they reached their goal to bring microloans to the people of Bangladesh. Instead, Yunus has traveled around the world, partnering with organizations such as the World Bank. Yunus has spent time in the United States, strategizing how developed countries that already utilize a system of welfare or poverty relief, can change their strategies to more effectively meet the needs of the poor and to empower them to end poverty. "The poor themselves can create a poverty-free world. All we have to do is free them from the chains that we have put around them" (250).

For Group Reflection and Discussion:

- Yunus describes the importance of female recipients of microloans, especially in chapter 5, "A Pilot Project is Born." Discuss the specific challenges experienced by women in Bangladesh and other countries where poverty is common. How do the benefits of a microcredit system trickle down?
- When the Grameen Bank visited new villages and attempted to open new branches, it often faced opposition, even from religious and community leaders (108). Discuss why resistance occurred and how Grameen eventually overcame opposition to become a success.
- Yunus intended for the Grameen Bank to maintain its center in the rural, most impoverished areas of Bangladesh. For this reason, the headquarters were in Shymoli, a suburb of Dhaka. However, Grameen eventually moved to the capital city. Yunus countered this move by maintaining that all Grameen employees who worked at the head office must have spent time working in one of the rural branches (127). Discuss why Yunus made this decision and what you see as the benefits (or disadvantages) of the Grameen Bank structure.

- The Grameen Bank breaks traditional poverty-alleviation methods by handing out loans to recipients without first demanding skills training or anything in return. Yunus believes that the recipients have the skills necessary for success—“survival skill” (140). Do you agree with his assertion?

Relating to our Mission:

- One of the Grameen Bank’s goals is to eliminate half of the world’s poverty by 2015, a goal shared by the United Nations. The Cooperative Baptist Fellowship also supports this Millennium Development Goal (MDG) and is doing their part to help eradicate poverty through partnerships and new initiatives. Discuss what you, your church, your employer, and the organizations you belong to can do to help eliminate poverty.
- Throughout *Banker to the Poor*, Yunus stresses the importance of granting dignity and worth to the individuals he works with through his bank. He strives to treat everyone with respect, without considering socio-economic status. Although he does not assert a religious or missional goal, Yunus still can have a life-changing impact on the people with whom he works. How can the Fellowship, your church, and you utilize the business practices Yunus expresses throughout his book to share Christ’s love and hope for the world?
- In the 1980s, Yunus traveled to the United States to work with the impoverished people of Arkansas. After talking to these people, he realized that getting them to express their dreams of what they could do with a small business loan was quite difficult. Yunus felt that these poor people were often trapped in a system of welfare that did not encourage them to develop an entrepreneurial spirit. In Bangladesh, poor people did not benefit from welfare; therefore once they received a small loan, they were responsible with that capital to make a profit. While in America, however, Yunus felt that people on welfare believed that they were often punished for making a small profit and

therefore preferred not to risk accepting loans. Yunus even states that, “In the developed world, my greatest nemesis is the tenacity of the social welfare system” (189-190). He was determined that a microcredit system could work, however, even in the United States. Discuss what factors contribute to the success and failure of the microlending system in the United States. How do you think we can improve this system to make it more successful and available to all who need it?

- The *Affect* article, “Microlending as a Ministry,” focuses on several microlending efforts that the Fellowship has initiated, both in the United States and outside of it. These groups, such as Delta Jewels and GORGEouse Gals, are already successfully instilling a system of worth and value in the people they minister to and work with to teach entrepreneurial skills. Discuss how more initiatives like these could grow around the U.S. How could microlending grow in your own community?

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next month:

Robert D. Lupton’s book, *Theirs is the Kingdom: Celebrating the Gospel in Urban America*, addresses issues of urban poverty in a compelling and provocative way. In this thoughtful collection of personal experiences, Lupton shares life stories of living alongside the urban poor.