

Community-Based Oral Testimony

A DIFFERENT APPROACH TO
KNOWLEDGE

Community researchers in Arampur work to develop a range of topics relating to microcredit that *they* feel need to be addressed.



Rethinking Research from the Perspective of Community Experience

In debates on development, the voices of those it affects are often conspicuously absent.

Our strategy for bringing their voices back in was simple: we decided to ask them. We adopted a strategy known as “oral testimony” which relies on extended semi-structured interviews to let participants tell their own stories in their own words, share their opinions and experiences and convey their own understandings of how development and poverty has transformed the history of their lives and villages.

We wanted to take this approach a step further. Often oral testimony research is colored by power-dynamics between “researchers” and “subjects”. Within these dynamics, answers to questions are often pre-determined by what each party expects to hear from the other. We decided

to address this by inviting microcredit recipients in Arampur, a village in rural Northern Bangladesh, to interview each other about their own experiences with loans. We hoped that the content of these interviews would be shaped by mutual dialogue, rather than by top down agendas and expectations about what we, as researchers, wanted to hear.

In order to do this, we trained a group of villagers in basic, qualitative research techniques and invited them to interview their peers and neighbors. The result was open-ended, conversation-style interviews, recorded using digital-audio recorders, in which the interviewees participated in directing the discussion by framing conversations through stories, life experiences and their own personal histories with microcredit lending organizations. Using this approach we heard what people had to say about microcredit on their own terms.

“There are many things hidden there that nobody knows, not everyone feels comfortable about saying everything any place. There are so many secrets to know, so many strange events that have happened, I never heard of anything like these stories before. There are so many kinds of people in this world! Even I myself have a long history which cannot be told in one sitting.”

–Kohinoor Begum,
Community Researcher



The Goldin Institute is a Chicago-based non-profit founded in 2002 that is dedicated to building grassroots partnerships for global change. Our work is grounded in the belief that individuals can and should be at the heart of debates and projects that seek to determine their futures and transform their livelihoods. We seek to develop community-based solutions through a combination of on-the-ground research, community-engagement, online resources and collaborative events.

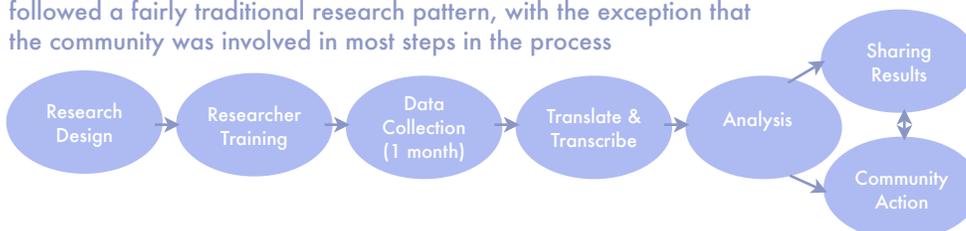
Community researchers in a training session at Nijera Kori's training center in Bogra, Bangladesh



What were the advantages of this approach?

- *The community researchers themselves were all microcredit loan recipients.* They were able to give us early insight into the landscape of credit and poverty within the village. They participated in shaping and revising our research goals to better answer our questions about microcredit, as well as transforming the strategies we employed to accomplish them.
- *As community members, they understood the best ways to conduct the work within the cultural context of rural Bangladesh.* They understood what the best times to approach people were, how to make each interview session as comfortable for respondents as possible, how to best navigate the complexities of rural Bangladeshi household and gender power dynamics, and how to ask probing questions without crossing sensitive lines.
- *Respondents were more comfortable speaking with their neighbors than they would be with a researcher from outside.* Respondents did not have to explain taken for granted points. They did not have to couch their language or speaking style to be understandable to an outsider. Further, the semi and unstructured interview strategy allowed the respondents to direct the conversation, steering discussions to what they wished to talk about.
- *Community researchers were better situated to explain and help us interpret stories and experiences as they were shared.* They did this by recording audio field notes after every interview and by sharing their stories in daily debriefing sessions.
- *Community researchers were able to elicit different kinds of responses and stories than those we could have gathered on our own.* The stories shared by respondents were of a remarkably different kind than those that could or would have been shared with outside researchers. As such, the interviews collected by our fieldworkers contain different kinds of insights, stories, and critiques that shed a new light on microcredit in rural Bangladesh.
- *Community researchers knew their community and therefore knew what questions to ask.* They knew their respondents and were able to ask about specific incidents from their lives and histories. They could seek targeted information about their families and livelihoods. They knew the intimate details of cultural, agricultural, and political processes in the village. They were able to ask questions that pertained directly to local practices and histories.

Community Based Oral Testimony in Brief: Our work in Arampur followed a fairly traditional research pattern, with the exception that the community was involved in most steps in the process



Research Experiences

“Everyone had so many things to tell! I loved hearing people's stories, their sorrows, and their history. It is always interesting to know how people live. I wish I could do this work in my village my whole life, so I could get to know all their history, all they have kept hidden in the bottom of their heart.”

–Kohinoor Begum

“This was all very hard work, but I think it was worth it. I gained a real understanding of the hardships and sorrows that the people have experiences in their lives. I came to know about many things I was not aware of before. In that way, I came to realize the real changes happening in people's lives, the progress they have made. I have many more things to know, and I hope I will get to know more in the future.”

–Hosnera Begum

Learning from Arampur

What are the implications of this work for donors and practitioners?

1. Reevaluate metrics for success:

The experiences of residents of Arampur show that not only is repayment a poor proxy for poverty alleviation, but also that an over-focus on repayment leads to exploitative relations on the ground. New approaches to evaluating the social impact of microcredit that are rooted in the lives, experiences, and needs of recipients and recipient communities could help to ensure that microcredit empowers, rather than exploits, borrowers.

2. Ensure that other critical services (such as health care, food security programs, and schools) are in place in communities where microcredit providers operate:

The stories of recipients in Arampur make it clear that lack of access to credit is only one structural condition of poverty in rural Bangladesh. In order to make a go of entrepreneurial ventures, recipients need to make sure that other basic needs are met. Without access to complementary services, recipients are often forced to use their loans to address more critical threats to their livelihoods.

3. Engage in sustained dialogues and build partnerships with communities to better address the needs of recipients:

Our experience in Arampur demonstrates the power and benefit of engaging communities and recipients in meaningful dialogues about developing and evaluating programs that seek to serve them. Though our approach to community-based research represents only one of a range of strategies for doing this, it also highlights the benefits of these often time-consuming processes and the dangers of not carrying them out. Microcredit providers in Arampur have missed an opportunity to learn from the often insightful and surprising opinions, experiences, hopes, aspirations and challenges of recipients. And in doing so, they have created conditions that threaten the livelihoods of those they seek to help.

Residents of Arampur gather at a local tailor shop.



What were the results of the research?

The narratives, and life histories that were the result of this work offer a rich, yet troubling, view of the impacts of a shift toward microcredit programs and away from a variety of other rural services. This shift has led to an emerging crisis of microcredit where programs designed to alleviate poverty are eroding food security, increasing indebtedness, and undermining rural livelihoods. In particular, our findings show that:

- *The widespread use of financial metrics—most commonly, rates of repayment—as a proxy for poverty alleviation has led to abusive relationships on the ground.* The vulnerable positions of people living in poverty often makes it easier to coerce, pressure, and extort them into repaying microcredit loans, often at the expense of their livelihoods. Where repayment rates are the primary metric by which MFIs are judged, they become a way to track job-performance of their field officers. This leads to inherently exploitative relationships between borrowers and loan officers. Rather than empowering individuals and communities, the focus on repayment creates an environment of fear and intimidation where recipients must regularly sacrifice basic needs to meet an inflexible repayment schedule.
- *Oversaturation of MFIs has led to dependency on microcredit for consumption and other non-entrepreneurial purposes.* In rural Bangladesh, many households hold upwards of four loans at a time. In this overcrowded debt-market, it is common to cover old debts by taking out new loans from different sources (and not infrequently from the same sources), often with the encouragement of field officers. Recipients frequently find themselves in positions of greater vulnerability. Rather than freeing them from the burdens of poverty and enabling them to move away from reliance on local moneylenders for emergency cash, many view microcredit itself as producing insidious cycles of dependency and debt. Such crises of dependency are deepened by the need to use loans for consumption purposes, especially during the hungry season, as microcredit has replaced other NGO-provided rural services and eroded long-standing social safety mechanisms.
- *Claims of impacts on gender relations need to be reconsidered from the perspectives of recipients. In many cases these impacts have been mixed.* While women were certainly the primary targets of MFI programs in Arampur, women are more often conduits to, rather than end users of, credit. It is often the case that women bear the risk of loans, but do not directly benefit from their rewards. One of the early goals of microcredit programs in Bangladesh was to free women and families from the burden of dowry. Yet respondents further report that microcredit is strengthening the dowry system in the village by precipitously inflating dowry prices.

Ongoing Work with our Partners: Nijera Kori



We carried out this project in partnership with Nijera Kori, an innovative Bangladeshi NGO that has a 30 year history of organizing landless laborers to advocate for their own rights. Nijera Kori has an extensive network with a presence in over 1100 villages in Bangladesh.

In 2009 and 2010, we will be working with Nijera Kori to implement a national program modeled on our work in Arampur. The project will develop a base of community knowledge and a platform for social change throughout Bangladesh. Addressing a range of issues such as dowry, gender discrimination, access to common land and ecological transformation, this project is rooted in the belief that the most

critical perspectives on such issues—and frequently the best ideas for addressing them—come from those who confront these realities on a daily basis.

The community researchers from Arampur will play a central role in this project. Not only will they conduct similar research in their home community on a broad range of social issues relevant to their daily lives, they will work with us as experts in community research to train people throughout Nijera Kori's network. This project provides a unique opportunity to collaboratively build strategies for communities to gather and use their own knowledge, insights and ideas to effect lasting change.

How has this work impacted Arampur?

In 2008, we returned to Arampur to share our progress in bringing the community's voices into the international debate on microcredit. Though pleased with what we had done, the community asked how



the research could be used to bring about change at a local level. Since then, we have been working with the community to try to make that a reality. We have

cooperatively developed an approach that we hope will lead to programs that better serve Arampur's needs.

The main effect of the research was to collect and codify a range of experiences that many people were having with microcredit. While these experiences were often seen and addressed individually, the research helped to show that these experiences were, in fact, systemic problems that were broadly shared throughout the community.

In 2009, the community research team has been conducting a number of small, community meetings to share and discuss these findings and their implications. These dialogues have raised questions such as: "what can we change within our own community to address problems with microcredit?" and "how can we help microcredit providers to develop programs that better meet our needs?"

Engagement & Dialogue

As community members work to address issues surrounding microcredit within Arampur—such as gender discrimination around accepting loans and the often violent pressure placed on recipients to repay by their fellow borrowers—we continue to work with the community to make a series of

requests to local microcredit providers. These requests will range from more directly involving recipients in measuring the impact of loans on poverty alleviation to bolstering, rather than undermining, long-standing social welfare strategies already in place within Arampur.

To provide an example, there is a long-standing tradition in rural Bangladesh of saving a handful of rice from every kg of rice purchased. In the past, this rice was collectively stored by women in villages in a community chest, to provide a safety net in emergency situations. In Arampur, many women report that they can no longer afford to participate in this practice because of the pressure to make weekly microcredit loan repayments and the constraints this places on already slim household budgets. We believe that through community dialogue, local MFIs could come to support, rather than undermine, such practices, thereby both improving the livelihoods of recipients and increasing the chances that loans can be used for productive, rather than consumptive, purposes.



A National Forum

As we work with Arampur to bring about local change, we will continue our project of initiating a national dialogue over the promises and shortcomings of microcredit in Bangladesh. By working with a network of like-minded partners—including Nijera Kori and ActionAid Bangladesh—we will continue to bring the voices of recipients into debates over development as we highlight the critical need to engage community ideas, expertise and experiences in such debates.

– Get Involved –

We need your help:

We believe that this community-based work can have a dramatic impact within Arampur, throughout Bangladesh and beyond. Already, our work with Arampur has helped to convince foundations and MFIs to rethink and revise their strategies for giving, measurement, and evaluation.

We need foundation and individual support to continue this work.

Please consider becoming our partner.

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Thank You!

