European Journal of Business and Management
ISSN 2222-1905 (Paper) ISSN 2222-2839 (Online)
Vol.6, No.7, 2014

Understanding the Nature of Dropouts in MFIs: Evidence from Rural Bangladesh

Mohammad A. Ashraf

Assistant Professor and Head, Department of Economics, United International University, 80/8A Dhanmandi, Dhaka 1209, Phone: +8802 912 5912 – 5, Email: mashraf@eco.uiu.ac.bd

Yusnidah B. Ibrahim

Professor and Dean, School of Economics, Finance and Banking, UUM-University Utara Malaysia, 06010 Sintok, Kedah Darul Aman, Malaysia, Cell: +60124125464 Email: yibrahim@uum.edu.my

Abstract

The present study aims to comprehend the nature of drop out from the microfinance institutes (MFIs) in Bangladesh. To this aim, the research incorporates several variables ranging from the demographic to demand-led factors that may affect the dropping out behavior of the rural poor in MFIs. Multiple regression model has been used to analyze the data (n = 280) that are collected from the dropout-members from six regions of Bangladesh. The findings demonstrate that eleven of fourteen explanatory variables including the demographics are statistically significant to influence the dropping out behavior of the dropouts in rural Bangladesh.

Keywords: Dropouts, factors of dropping out, demand-led factors, MFIs and Bangladesh

Introduction

Microfinance, pioneered by Professor Muhammad Yunus as microcredit, has been trumpeted as a champion over the last three decades for attaining the global objectives of alleviating rural poverty and improving women's socioeconomic status (Ashraf, 2013; Karim, 2011). Until now, there have been a large number of empirical and quasi-empirical evidences which support this view on positive role of microfinance institutes (MFIs) in poverty alleviation such as Hossain (1984, 1986, 1988, 1989), Khandker (1996, 1998), Pitt and Khandker (1995, 1998), Hashemi, Schuler and Reley (1996), Zohir (2001), Khandker (2003), Razzaque (2010) and many others. However, this trumpeted role of microfinance appears to be dull to this day (Karim, 2011) because of the criticisms which stem from different issues such as economic impact (Morduch, 1998, 1999; Hulme and Mosley, 1996; Haque and Yamao, 2008; Khosa, 2007) and social impact on women's status (Rahman, 1996; Rahman, 1999; Fernando, 2006; Muhammad, 2006).

In the recent past, several MFIs have begun using a management tool, developed by Assessing the Impact of Microenterprise Services (AIMS) at the United States Agency for International Development (USAID), to assess impact (Alexander-Tedeschi and Karlan, 2009). This tool advocates comparing current members to new members of a microcredit program and attributes any difference to the impact of the program. The tool introduces a potential source of bias into estimates of impact by not instructing organizations to include program dropouts in their calculations. In these data, not including dropouts overestimates the impact of the credit program. This fact indicates that though the issue of dropouts in MFIs is systematically overlooked, the rate of dropouts is evidently very high and remained unexplored in detail (Alexander-Tedeschi and Karlan, 2009). Nonetheless, there has been scanty research on this very issue of dropouts in MFIs.

Most empirical works on microfinance employed households as sampling units and enumerated to program-controlled comparison. However, sociologists and gender specialists focus on member-specific participation of the rural poor in MFIs. Both cases --- whether it was for members or households --- are prevalent in qualifying the variable of participation and particularly the length of participation which characterizes the membership that grows at almost two-digit level until the first decade of the new millennium (CDF, 2012).

This quick growth of membership has, in fact, generated a fuzzy view on participation of the rural poor in MFIs obscuring the micro-level snapshots of voluntary or involuntary "dropout" from the system of microlending (Ashraf, 2013). While some researchers interpreted this dropout as an outcome of "graduation" of the rural poor from the status of poor to rich, others articulated it in terms of the overall inability of MFIs to keep the rural poor members engaged in borrowing activities. In relation to this confusion, it is imperative that the nature of dropouts of the rural poor from the membership of MFIs be better understood, for better monitoring and interactive policy designs (Ashraf, 2011; Zohir, 2001).

The prime objective of this paper is, thus, to understand the nature of dropouts as well as to identify the factors that affect the dropouts of the poor villagers from the membership of MFIs in Bangladesh. The plan for the paper

is as follows: Next to the introduction, the relevant literature is briefly reviewed in the context of microfinance participation and dropouts in recent times. Then, the research model and hypotheses are presented, followed by a discussion of the research method and findings from the data analysis. A discussion of the meaning of the results and their implications bring the paper to the end which delineates the directions of further research in microfinance field along with concluding remarks finally.

Microfinance Participation and Dropouts: Past Research

Microfinance is well-known to deliberately target the poorer section of the rural population, especially poor village women. The most common criterion used in this process is that only households with less than half an acre of cultivable land including homestead area are eligible to participate in MFIs to borrow. However, some important questions remain who participate in MFIs to have micro loans and who do not (Osmani and Khalily, 2011). Nonetheless, there have been evidence that many of the rural poor who do not presently participating in MFIs, they participated before. This segment of the rural poor is defined as dropouts whose numbers have recently emerged as potential limitation to MFIs (Karim, 2005).

In a recent study, Karim (2005) finds in a survey that as high as 42.5 percent of the participants in the case of Grameen Bank in certain areas of Bangladesh are dropped out. Among these dropouts, 72.6 percent do not further participate in any other MFIs and they are subsisting under the poverty line. Similar findings are also available in Khan and Chowdhury (1995) who observe that about 75. 7 percent of the dropped out borrowers of Bangladesh Rural Advancement Committee (BRAC) have not been involved further in other MFIs. However, Zohir (2001) undertook an investigation surveying in thirteen districts of Bangladesh and found that about 15 percent of the sample of 1921 participants dropped out from MFIs.

Latifee (2005) reports that dropout is a common problem faced by most MFIs. Consequently, it threatens the viability and sustainability of the microfinance programs which, in the long run, may not be able to keep them under control. Hence, the MFIs should try to be proactive in finding out why their clientele drop out, how costly and damaging it is for their programs, and how they can prevent or reduce dropout rates; and in doing so, protect themselves from its negative impact.

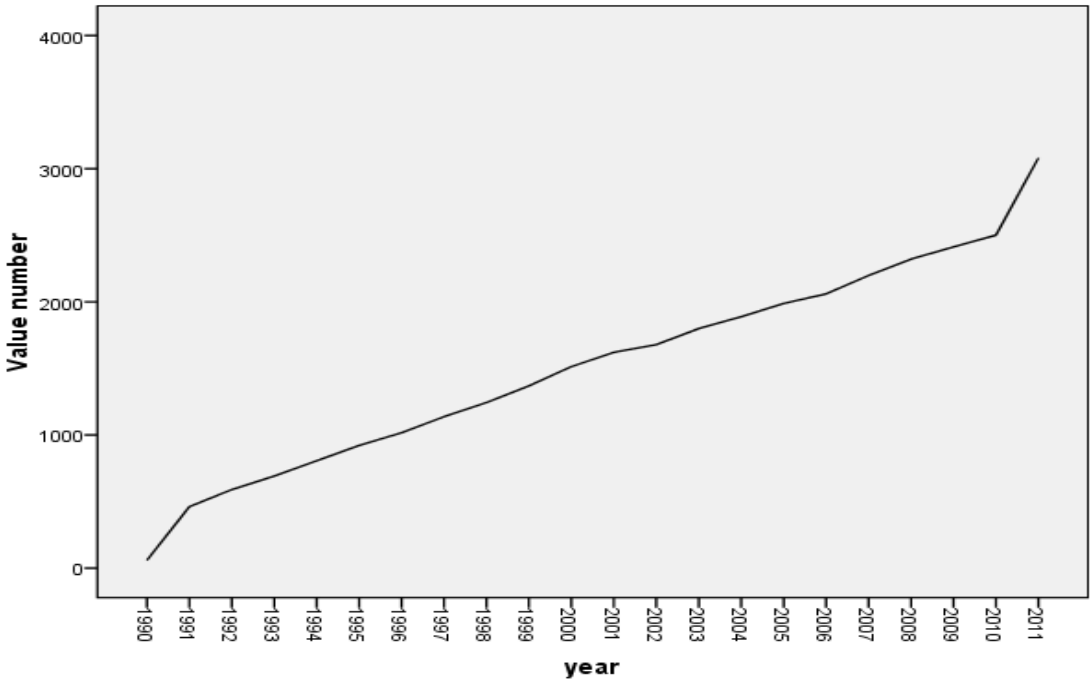
Majumder (2009) explores a microfinance institution and reports that almost 82% of dropouts admit to have voluntarily terminated their memberships and about 11 percent state that the organization rescinds their memberships after loan repayment. These statistics of voluntary dropouts point to the growing freedom of choice exercised by the clientele today. It also suggests that with better service the organization can appeal to the clientele's preference, thereby reducing the drop-out rate.

Field-level investigation led by Datta (2004) reveals that the extreme poor have not been targeted specifically. The very few such households that have participated in these programs have been included accidentally rather than systematically. There are some selection criteria to target households that include address of permanent residence, age between 18 and 35 years and mandatory regular savings requirement. It has been found that some members lost their memberships not because of their failure to pay the installments, but because they lost their residences due to river erosion.

Hashemi (1997) argues that the extreme poor do not have the ability to take risks and a majority of these poor do not initially want microcredit because they fear that they would be unable to repay the loans and would therefore be saddled with debt that would eventually force them to sell what few possessions they do have. Consequently, the poor become poorer once they involve in borrowing microfinance.

It is no secret that current interest rates in microfinance programs are extremely high and along with high interest rates, weekly repayment procedures highly discourage extreme poor households from accepting microfinance loans (Mahmud, 2010). In this relation, Datta (2004) shows that while some of these types of households do have interest in receiving micro loans, most of these households cannot take the risks associated with borrowing. This risk averting attitude of the rural poor originates in their scanty resource-base in their ownership.
This high interest rate has a practical implication of transforming microcredit to microfinance institutions which transformed their objective from maximizing social welfare to maximizing profit with the excuse of the argument of sustainability of MFIs (Elahi and Rahman, 2006). In this respect, Karim (2011) argues that there have been dramatic transformations of the NGOs to NGO-MFIs. For example, in 1990 there were only 59 NGOs that worked with microfinance; by 2006 and 2011, that number has risen to 2060 and to 3081 respectively (Karim, 2011, see Figure 1).

Figure 1: Growth of NGO-MFIs in Bangladesh since 1990



In many areas, religious conservatism is very high where women of extreme poor families do not join groups because of social and religious sanctions. These sanctions dictate that joining credit programs and leaving the poor women for meetings with other men is inappropriate. Group members also hesitate to allow the extreme poor to participate for fear that they lack money management skills. They are often transient families, moving in and out of villages looking for work (Ferdous and Uddin, 2010).
Much has been made of the fact that MFIs in Bangladesh are failing to serve the extreme poor. This failure may result from dropouts from the system of microfinance scheme which is deemed to be a problem as serious as exclusion from membership in MFIs. In most cases, dropouts happen when borrowers fail to make suitable investment with the borrowed funds (Ferdous and Uddin, 2010).

Nevertheless, dropouts have a link with loan default which may be voluntary or involuntary. And this default is in fact the result of failure to generate adequate return on the investment of borrowed funds. The inability to generate optimal return on investments may be due to low marginal product of capital, illness of working members, natural disasters, or mere lack of keen enthusiasm and motivation (Datta, 2004).

Once the borrowers willingly decide to dropout from the microfinance programs, they do not repay the loan. Since timely repayment of loan is a precondition for having repeated loans, these types of default borrowers ultimately lose the chance of borrowing further. Hence, they become dissociated from the MFIs for ever. Besides, the dropout may occur due to inability to comply with the weekly group discipline such as group lending and meeting (Ashraf, 2013).

Data and Research Method

The data collection exercises were aimed at gathering information on the impact of member-specific factors that affect dropping outs of the rural poor from MFIs in Bangladesh. To this aim, data were collected based on stratified random sampling procedure by face to face interview from six major district-areas of Bangladesh namely Moulavibazar, Satkhira, Shariatpur, Kishoreganj, Nilphamary and Bogra using closed-end questionnaire interviewing 280 respondents who are dropouts from MFIs. The districts are selected based on the comparatively longer duration of the operations of the MFIs and the higher concentration of poverty incidence in Bangladesh declared by the concerned government departments (GoB, 2010). The questionnaire was constructed in a 5-point scale. In the measurement, scale 1 indicates strongly disagree and scale 5 indicates strongly agree. The samples were drawn based on snowballing sampling procedure. The sample statistics are shown in Table I.

In the sample statistics, a brief profile of the dropped-out respondents has been tapped. Evidently, the majority of the dropped-outs are female members and 68 percent of them are between the age-group of 15 and 40. Most important among other information is that the majority of the respondents are illiterate and landless and marginally landless. Dropping out or nonparticipation in a targeted credit program is the outcome of both demand-led and supply-side factors (Datta, 2004). The former depends on the ex-post evaluation of eligible households about the costs and benefits of credit programs and the supply aspect relates the program-related constrains that the borrowers cannot overcome.

The data were analyzed using multiple regression modeling to assess the factors influencing dropping outs from the MFIs in Bangladesh. As many researchers claim that self-identity i.e. demographic variables may be potentially responsible to affect the individual choice of dropping outs behavior of the borrowers in MFIs (Hagger and Chatzisarantis 2006; Karim, 2005; Datta, 2004; Zohir, 2001), the present study includes gender, age, education, yearly household income, total amount of land and the value of other assets as explanatory variables in addition to other eight demand-led factors such as fear of getting into risk of loans, individual preference, religious restriction on microfinance borrowing, spousal dislike to female head of households, friends advice, resource inadequacy, lack of knowledge or business skill and ill-health or vulnerability to crisis based on Mahmud (2000), Evans et al. (1999) and Ashraf (2013). Such a portrayal of the dropping out behavior is too simplistic since the choice is constrained and not entirely free. In order to identify certain explanatory variables, the study excludes some exogenous variables from the regression analysis such as savings, marital status of the borrowers, housing quality and consumption.
The research also uses ANOVA and correlation measures. The descriptive statistics of the sample were provided in Table II. The results of correlation analyses were reported in Table III. And the results of regression analysis are provided in Table IV. All of these procedures have been commonly used in the study of participatory or non-participatory behavior in general (Li, 2009; Phillips, 2009). In the regression analysis, eleven of fourteen variables are found statistically significant, two at the $p < 0.10$ level, five at the $p < 0.05$ and four at the $p < 0.01$ level.

The study employs the following multiple regression model:

$$Y_j = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \beta_6X_6 + \beta_7X_7 + \beta_8X_8 + \beta_9X_9 + \beta_{10}X_{10} + \beta_{11}X_{11} + \beta_{12}X_{12} + \beta_{13}X_{13} + \beta_{14}X_{14} + \varepsilon$$

Where,
Y_j = Dropping out (1 for current or past membership in MFIs, 0 otherwise)
X_1 = Gender
X_2 = Age
X_3 = Education
X_4 = Yearly income
X_5 = Amount of land
X_6 = Value of other assets
X_7 = Fears of getting into risk
X_8 = Individual preference
X_9 = Religious restriction on microfinance borrowing
X_{10} = Spousal dislike of female head of household
X_{11} = Friends' advice
X_{12} = Resource inadequacy
X_{13} = Lack of Knowledge
X_{14} = Ill-health or vulnerability to crisis
ε = Error term; α, β_1 …….. β_{14} = Parameters to be estimated

Table I Sample Statistics

	Valid Percent
Gender	
Male	13.8
Female	86.2
Age	
15-25	11.2
26-40	56.4
41-55	23.1
56-60 and above	9.3
Marital Status	
Single	9.3
Married	89.3
Divorced	1.7
Education	
Illiterate and Primary	64
Secondary	26.7
Higher Secondary	5.5
Bachelor	3.8
Yearly Household Income (in Taka)	
0-20000	11
20001-40000	11.6
40001-70000	23.6
70001-100000	27.6
More than 100000	26.2
Total Land including Home (in Decimal**)**	
0	25
1-33	36.9
34-66	20
67-100	9.3
More than 100	8.8
Other Assets (in Taka)	
0-20000	60.2
20001-40000	4.5
40001-70000	7.6
70001-100000	6.7
More than 100000	21

Results and Discussion

As the main objective of this research is to tap the factors that are responsible for dropping out of the rural poor from the membership or the status of borrowers in the MFIs, the study includes eight independent factors in addition to the six demographic factors as their self-identity which may influence the dropping out behavior of the poor in the rural areas in Bangladesh (Hagger and Chatzisarantis, 2006). The results of regression analysis demonstrate that among the six demographic and other explanatory variables, five and six are found statistically significant respectively to influence the dropping out behavior of the rural borrowers of the MFIs (see the Table IV). Some of the significant variables are found to be negatively correlated as well. These outcomes are also consistent with the correlation matrix in the Table III.

Table II Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Dev.
Gender (X_1)	280	1.00	2.00	1.3000	.45908
Age (X_2)	280	1.00	4.00	2.2393	.81862
Education (X_3)	280	1.00	4.00	1.6036	.85299
Yearly Income (X_4)	280	1.00	5.00	3.2536	1.39250
Total Land (X_5)	280	1.00	5.00	2.2036	1.15687
Other Assets (X_6)	280	1.00	5.00	2.5357	1.75328
Fear (X_7)	280	1.00	5.00	3.0857	.97182
Preference (X_8)	280	1.00	5.00	2.5750	.69670
Religion (X_9)	280	1.25	5.00	3.9527	.92324
Female (X_{10})	280	1.00	5.00	4.1893	.95032
Friend (X_{11})	280	.75	3.75	2.3759	.51020
Resource (X_{12})	280	1.00	5.00	3.2795	.72819
Knowledge (X_{13})	280	1.00	5.00	3.4937	1.23556
Illness (X_{14})	280	1.00	5.00	4.0071	.99548
Dropping Outs (Y)	280	1.00	5.00	2.6107	1.67692

Table III Correlation Matrix

	X_1	X_2	X_3	X_4	X_5	X_6	X_7	X_8	X_9	X_{10}	X_{11}	X_{12}	X_{13}	X_{14}
X_1	-													
X_2	-.14 (*)	-												
X_3	.12 (*)	.34 (**)	-											
X_4	-.14 (*)	.07	-.02	-										
X_5	-.16 (**	.12	-.05	.46 (**)	-									
X_6	-.14 (*)	.18 (**)	-.14 (*)	.14 (*)	.07	-								
X_7	-.03	-03	-.06	-.02	.12	.02	-							
X_8	.01	.06	-.09	.16 (**)	.07	-.02	.10	-						
X_9	-.11	-.03	-.10	.12	.24 (**)	.02	.59 (**)	.03	-					
X_{10}	-.05	.15 (*)	.06	-.00	.04	.04	.19 (**)	-.08	.27 (**)	-				
X_{11}	-.11	-.02	-.02	.08	.04	.00	-.05	.07	-.04	.11	-			
X_{12}	.04	-.24 (**)	-.05	.01	.01	.07	-.26 (**)	-.20 (**)	-.14 (*)	-.06	-.02	-		
X_{13}	-.23 (**)	-.33 (**)	-.17 (**)	.04	-.03	.25 (**)	.11	-.16 (**)	.18 (**)	-.13 (*)	.00	.32 (**)	-	
X_{14}	-.01	-.43 (**)	-.1	-.11	-.09	.19 (**)	-.15 (*)	.26 (**)	-.08	-.05	-.03	.49 (**)	.39 (**)	-
Y	-.1	-.29 (**)	.1	-.38 (**)	-.31 (**)	.4 (**)	.26 (**)	-.17 (**)	.20 (**)	-.14 (*)	-.06	-.08	.44 (**)	.28 (**)

* indicates significance at $p < 0.05$ level
** indicate significance at $p < 0.01$ level

Several past research have reported that female borrowers' dropping out tendency is less than the male borrowers of the MFIs. In the present study, the majority of the borrowers are female (about 86 percent) and the regression coefficient for gender is found negatively significant ($p < .01$) which is consistent with the past research evidence. This outcome is also consistent with the results of negative correlation between gender and dropping out (see in the correlation matrix in the Table III).

Table IV Results of the Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Gender (X_1)	-.185	.035	-.246	-5.311	.000
Age (X_2)	-.039	.023	-.085	-1.703	.089
Education (X_3)	.089	.022	.187	4.005	.000
Total yearly income (X_4)	-.011	.014	-.039	-.806	.420
Total amount of land (X_5)	-.035	.015	-.116	-2.387	.017
Other assets (X_6)	.044	.010	.200	4.323	.000
Fear of risk (X_7)	.056	.022	.135	2.568	.011
Preference (X_8)	.055	.023	.108	2.425	.016
Religious constraints (X_9)	-.056	.023	-.128	-2.442	.015
Female head (X_{10})	.048	.019	.115	2.501	.013
Friends' advice (X_{11})	-.011	.022	-.021	-.492	.623
Resources inadequacy (X_{12})	-.046	.025	-.091	-1.801	.072
Lack of Knowledge (X_{13})	-.053	.017	-.164	-3.123	.002
Illness (X_{14})	.004	.019	.012	.234	.815

Dependent Variable: Dropping outs; Adjusted $R^2 = 0.17$; F = 5.074** (14, 265)

The variable of age is also found to be negatively statistically significant at $p < .10$ percent level. This implies that the younger borrowers have a greater tendency to be inclined to dropout from the microfinance borrowing system. Education is appeared to be positively and highly statistically significant ($p < .01$) which may be due to the fact that dropping out behavior is significantly more for the educated and more aware borrowers. Though the factor of the total yearly household income of the borrowers are not statistically significant, the sign of the regression coefficient is appeared to be negative which implies that the more the yearly income, the less possibility of dropping out from the MFIs. As many dropping out behavior are observed due to default of repayment of the loan installments, higher income may reduce the probability of this default incidence. The variable of the total amount of land is also found negatively statistically significant at $p < .05$ level. This fact is equally likely happened in the case of the borrowers who possess comparatively less land and they are prone to have more probability to be default of loan repayment.

In the survey, it is that more than half of the borrowers are landless and near landless (about 62 percent of which 20 percent landless and 42 percent near landless), the fact of which is evidently consistent with the Agricultural Census (1983-84) of Bangladesh (BBS, 1986). According to Hossain (1986), the number of landless and near landless households has increased at a rate of about 3.0 percent per annum as compared to a 2.0 percent growth in the number of rural household. The value other assets excluding land is also appeared to be positively and highly statistically significant ($p < .01$).

Among the eight demand-side factors six are observed to be statistically significant to influence the dropping out behavior of the rural poor in Bangladesh. The variable of lack of knowledge is found statistically significant at the $p < .01$ level and resource inadequacy is observed to be statistically significant at the $p < .10$ level. The other four variables are appeared to be statistically significant at the $p < .05$ level. Four of the six significant variables are found to be negatively influencing the dropping out behavior of the rural borrowers. These variables are religious constraints, friends' advice, resource inadequacy and lack of knowledge.

Evidence in the past research confirms that religious restrictions are a robust negative impetus in the ethno-centric rural society of Bangladesh where the majority of the population is Islamic (Ashraf, 2013). In Islam, interest is seen as a tool of exploitation which is completely forbidden in its core values. In this respect, this factor is realistically relevant to show its nomenclature in enhancing the dropping out behavior. High interest rates of microfinance are also associated with high-risk which deters the rural poor to borrow microfinance from the MFIs. The extreme poor do not have the ability to have risk which may cause to sporadic suicidal incidence that happened in northern Bangladesh in the recent past (Ferdous and Uddin, 2010). Such tragedies are largely ascribed upon high interest rates which trap the borrowers into a never-ending loop. Since these types of

incidences are spreading trauma (fear) in the minds of the general people in the rural areas (Datta, 2004, Hashemi, 1997), friends and neighbors used to advice to stop borrowing from the MFIs. Hence, fear of getting into risk of microfinance and friends' negative advice may cause to dropping out from the microfinance scheme.

Due to ethno-centric background of Bangladesh, the rural society is profoundly constrained by the Islamic religious codes which nullify the female socialization without veil and seldom prefer female head of the household (Ferdous and Uddin, 2010). Thus, owing to the compliance of religious restrictions, one may leave the MFIs for ever. There has been such evidence that in areas where religious conservatism is very high, even women of extreme poor families do not want to join to or to remain in the groups because of social and religious sanctions. These sanctions dictate that remaining in credit programs and leaving the home for meetings with other men is inappropriate (Datta, 2004). Thus, the results of the present study is realistically conforming the religious background of the rural Bangladesh.

The market of microfinance has now become very competitive in rural areas, since thousands of NGO-MFIs have been operating in Bangladesh (Ashraf, 2013; Ferdous and Uddin, 2010). As a result of this competitive market environment of microfinance, the space for the choice of the rural clients has now become much wider which opens the door for overlapping of multiple loans. Preference of individual member for selecting the MFIs in the present study is found to be statistically significant influencing the dropping out behavior. This becomes possible only because there have been of multiple microlending institutions. Dropping out from one institution is not ultimately the dead-end from which there is no way out to have further loans for meeting up a dire need. In this situation, individual preference may deem to be a catalyst for encouraging dropping out behavior of the rural poor.

Resource inadequacy and lack of proper knowledge of business and money management skills are also found statistically significant to influence the dropping out behavior of the rural poor in the present study. The majority of MFIs require that borrowers attend the group meetings, pay service charge, deposit mandatory savings and undertake educational and planning activities. As all these deem scarce, any of the requirements may become impossible to meet up (Ashraf, 2013; Hulme and Mosley, 1996). Lack of knowledge also impedes the ability of borrowers to understand the benefits of credit, function within a peer group, and successfully use credit. Finally, dropping out might simply be a function of individual or household preferences that deem that credit is not in their best short or long-term interest (Evans, Adams, Mohammed and Norris, 1999). Thus, these evidences conform to the outcomes of the present study which aims to identify the potential reasons of dropping out from MFIs in Bangladesh.

Conclusion

As the present research aims to identify the potential factors that are responsible for dropping out of the rural poor from membership of the MFIs, the study collects data from the six districts of Bangladesh from 280 respondents who are currently dropped out from borrowing microfinance. The study includes six demographic variables in addition to eight demand-side factors as explanatory variables which may influence the dropping out behavior of the dropped-out rural poor. The results of multiple regression analysis demonstrate that eleven of fourteen independent variables are observed to be statistically significant to influence the dropping out behavior of the rural poor. As the nonparticipation and the dropping out are being emerged to be important problem in microfinance scheme, the findings of this research may help to reduce the problem.

References:

Alexander-Tedeschi, G and D. Karlan *(*2009*).* Cross-sectional Impact Analysis: Bias from Drop-Outs. FAI: Yale University.

Ashraf, M. (2013). An Investigation into the Barrier to the Rural Poor Participation in MFIs: The Case of Bangladesh. An Unpublished Thesis in the Northern University of Malaysia, Kedah Darul Aman, Malaysia.

Ashraf, M. (2011). Demystifying Income/Nonparticipation in MFIs: Towards a Paradigm Shift. New York: Lambert Academic Publishers.

BBS - Bangladesh Bureau of Statistics (1986). Report of the 1983-84 Agricultural Census of Bangladesh. Dhaka: Bangladesh.

CDF (2012). Credit and Development Forum Annual Report. Dhaka: CDF.

Elahi, K. Q. and Rahman, M. L. (2006). Microcredit and Microfinance: Functional and Conceptual Differences. *Development in Practice*, 16(5): 476 – 483.

Evans, T.G., Adams A.M., Mohammed, R. and Norris, A.H. (1999). Demystifying Nonparticipation in Microcredit: A Population-Based Analysis. *World Development*, 27(2): 419 – 430.

Ferdous, F. and Uddin, G. M. (2010). Microfinance. *First News*, 8 August: 36 – 47.

Fernando, J. (2007). Microcredit and the Empowerment of Women: Blurring the Boundaries between Development and Capitalism. In Fernando, J. (ed.), *Microfinance: Perils and Prospects*. New York: Routledge, p.2.

Hagger, M. S. and Chatzisarantis, N. L. D. (2006). Self-identity and the theory of planned behavior: Between- and within-participants analyses. *British Journal of Social Psychology*, 45: 731 – 757.

Haque, M. S. and Yamao, M. (2008). Can Microcredit Alleviate Poverty? A Case Study of Bangladesh. *Proceedings of World Academy of Science, Engineering and Technology*, 36: 8 – 20.

Hashemi, S. (1997). Dropouts and Leftouts: The Grameen Targeting of the Extreme poor. Dhaka: Credit and Development Forum.

Hashemi, S., Schuler, S. and Riley, I. (1996). Rural Credit Programs and Women's Empowerment in Bangladesh. *World Development*, 24(4): 635 – 653.

Hossain, M. (1998). Credit for Alleviation of Rural Poverty: The Grameen Bank in Bangladesh. Research Report No. 65. International Food Policy Research Institute, Washington, D.C.

Hossain, M. (1996). Credit for Alleviation of Rural Poverty: The Experience of the Grameen Bank in Bangladesh. Washington, D.C.: IFPRI-BIDS.

Hossain, M. (1989), Green Revolution in Bangladesh: Impact on the Growth and Distribution of Income. Dhaka.: University Press Ltd.

Hossain, M. (1986). A Note on the Trend of Landlessness in Bangladesh. *The Bangladesh Development Studies*, 14(2).

Hossain, M. (1984). "Credit for the Rural Poor: The Experience of Grameen Bank in Bangladesh". Research Monograph 4, Dhaka: Bangladesh Institute of Development Studies.

Hulme, D. and Mosley, P. (1996). Finance against Poverty. Routledge, London.

Karim, L. (2011). Microfinance and Its Discontents: Women in Debt in Bangladesh. Minnesota: Minnesota University Press.

Khandker, S. R. (1996) "Grameen Bank: Impact, Costs, and Program Sustainability. *Asian Development Review*, 14(1): 97 – 130.

Khandker, S. R. (1998). Fighting Poverty with Microcredit – Experiences in Bangladesh, Dhaka: The University Press (UPL).

Khandker, S. (2003). Microfinance and Poverty: Evidence Using Panel Data from Bangladesh. World Bank Policy Research Working Paper 2945. Washington, D.C.

Khosa, A. (2007). Grameen Bank Can't Reduce Poverty: Economist. *Business Standard*, April, 2.

Latifee, H. J. (2005). Addressing the Challenge of High Dropout Rates. *Grameen Dialogue*, 60: January Issue.

Mahmud, W. (2010). Seasonal Hunger, Microfinance and Public Policy, *The Daily Star*, December 27 (Op-Ed)

Mahmud, S. (2000). The Gender Dimensions of Programme Participation: Who Joins a Microcredit Programme and Why? In R.S. Osmani and M. A. Baqui Khalily (Eds.), *Readings in Microfinance: Reach and Impact*, Dhaka: Institute of Microfinance, 2011, 101 – 127.

Muhammad, A. (2006). Monga, Microcredit and the Nobel Prize. *Meghbbarta*, December5.

Morduch, J. (1999). The Role of Subsidies in Microfinance: Evidence from the Grameen Bank. *Journal of Development Studies*, 60(1): 2 – 4.

Morduch, J. (1998). Does Microfinance Really Help the Poor: New Evidence from Flagship Programs in Bangladesh. Paper, Department of Economics and HIID, Harvard University, and Hoover Institution, Stanford University.

Pitt, M. and Khandaker, S. (1998). The Impact of Group-Based Credit Programs on Poor Households in Bangladesh: Does the Gender of Participants Matter? *Journal of Political Economy*, 106: 958 – 96.

Pitt, M. and Khandker, S. (1995). Household and Intra-household Impacts of the Grameen Bank and Similar Targeted Credit Programs in Bangladesh. Paper presented at Workshop on "Credit Programs for the Poor: Household and Intra-household Impacts and Program Sustainability." Dhaka: World Bank and Bangladesh Institute of Development Studies.

Rahman, A. (1999). Microcredit Initiatives for Equitable and Sustainable Development: Who Pays? *World Development*, 27(1): 67 – 82.

Rahman, A. (1996), "Microcredit for Women in Rural Bangladesh: Retrenchment of Patriarchal Hegemony as a Consequence", *Chicago Anthropology Exchange*, 23: 6 – 22.

Razzaque, M. A. (2010). Microfinance and Poverty Reduction: Evidence from a Longitudinal Household Panel Database. *The Bangladesh Development Studies*, 33(3): 47 – 68.

Zohir, S. (2001). *Understanding the Nature of MFI participation: Evidence from Bangladesh*, in Monitoring and Evaluations of Microfinance Institutions. Final Report, Bangladesh Institute of Development Studies, Dhaka.